CHINA WEEKLY

REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

PEOPLE'S DELEGATES CONFERENCES

CHINESE IN NEW ZEALAND

PHILIP MATTHEWS

JAPANESE CRITICISM OF US OCCUPATION POLICY

EDITORIALS:

NEW TAX SYSTEM

GENERAL GORDON FIASCO

APRIL 1, 1950

JMP 5,000

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

FREEDOM OF WORSHIP

To the Editor:

I would appreciate it if you would publish an open letter to Emmanuel S. Larsen, Director of the Far Eastern Information Service, in reply to his "communication" in the **Washington Post.**

In his "communication" published February 13, 1950 in the **Washington Post** and titled "Red Cruelties in China," Mr. Emmanuel S. Larsen uses some terms such as "Communist-dominated China" and "Red control" which are not only meaningless but inaccurate as applied to the new China situation. The Central People's Government is a popular coalition government under the leadership (not domination) of the Chinese Communist Party. There is no evidence of Communist "control" or "power" over the Chinese people. Neither is there evidence of the Chinese people allowing themselves to be led in any direction contrary to their own best interests.

Mr. Larsen quotes figures and cites names of missionaries, mostly Catholic, who were killed by "Communists." It is a common fallacy to place blame for any and all atrocities that happen to be committed in Communist-led countries onto "the Communists." The statistics are most impressive, as they are intended to be—to impress the Catholic and entire Christian world with the "evils of Communism." I used to be impressed, too, until one day less than a year ago when I heard a Catholic priest recalling over a cocktail the hair-raising exploits of one of his Brothers who had barely escaped "Communist clutches." The Brother, he recounted, had been an agent in transporting American munitions from Tsingtao to General Fu Tso-yi in besieged Peking and had made a get-away to Hongkong at the last minute before Peking's liberation! Is this a proper activity of a Catholic missionary? I also saw a former American OSS officer in China gathering just such "atrocity" figures for the United States government as Mr. Larsen quotes. That person could by no stretch of the imagination be classified as an unemotional, unbiased, uninfluenced, or even sober individual. Yet there are your figures!

Religious tolerance is practiced by the People's government because the Chinese cherish various faiths, among them Catholicism. Christians, Buddhists and Mohammedans are all represented in the highest governing body at Peking. There is no "false policy of toleration of the Christian church," as Mr. Larsen charges, "for the sole purpose of deceiving the world." The people want religious freedom and so they practice it; but they do not want disruptive activities that have been profitable by-products of many missions, and they have therefore refused to tolerate such activities.

Mr. Larsen explains away the obvious pleasure of an American "who finds herself in Communist-dominated China," as safeguarding herself against being "compelled to lead a miserable existence as an American in Red China, constantly under suspicion of being 'an imperialist spy.'" Nothing could be farther from the truth. In fact, the Chinese are so busy rebuilding their nation that they have little time to be concerned with any of our individual reactions to the work they are doing. Neither do I feel they are particularly interested in our thoughts so long as what we think does not lead to illegal actions damaging to their struggling new China.

TIENTSIN CHRISTIAN

Tientsin
March 22, 1950

PAST BUREAUCRACY

To the Editor:

Your editorial on "H. H. Kung's Property," which appeared in the March 18 Review reminded me of an incident which happened about 16 years ago.

One day Kung's second daughter drove to the Sincere Department Store in her very up-to-date automobile. Because of her rich and dignified appearance, she was treated most hospitably by one of the clerks in the cosmetic department, which aroused the attention of others. This gave her a great deal of pleasure and she bought a large quantity of cosmetics. The obsequious clerk even carried her packages out to the car for her. A few days later the clerk received instructions from the Shanghai Municipal Finance Bureau that he had been appointed to a good position there.

This story confirms your editorial which said that "Members of Kung's immediate family, his trusted henchmen and various and sundry hangers-on rose from rags to riches." Could anything be more absurd than the position of Kung's family in the past?

WONG SZE-LIANG

Shanghai
March 25, 1950

CENTRALIZED FINANCE

To the Editor:

One of the most significant moves recently taken by the new government is the decision to unify all financial activities under a central authority. Formerly, with the guerilla fighting taking place in various bases, unified financial control was not possible. Now a National Treasury has been set up and all income from government enterprises, customs, etc. must be turned over to this body. When the local governments want to spend money, they must make formal application to their superior branch and receive its approval. This decision was made at the end of February and by the middle of March the change was accomplished.

The centralization of the government's finances has been one of the main reasons for the stabilization of prices this past month.

Another recent important step has been the inventorying of all government equipment and supplies. Checking up the godowns, railroad equipment, office supplies, etc. has brought to the fore a wealth of items that heretofore were left to rot and waste. It was discovered that there were 10,000 railroad box cars that had previously not been inventoried. In Shanghai a box of "spare parts" was found which was sent to Peking for further checking. In Peking they discovered the "spare parts" were eight and a half catties of platinum, presumably hidden away and lost by some fleeing KMT officials.

With corruption a thing of the past, and the new methods of strict accounting, centralized planning and finance, the government is making rapid strides in putting China on a sound financial basis.

K. P. WONG

Shanghai
March 24, 1950

WALL NEWSPAPERS

To the Editor:

Wall newspapers are a new cultural media in Changsha since liberation, where a large number have been established in schools, banks, shops, cooperatives, factories, postoffice stations and other places. They are also posted in the streets and public places.

The wall newspapers are for the masses of people, to increase their political consciousness and lead them to cultural improvements and increased production. How can this be done? Since cultural levels vary in different parts of this country, the contents of the wall newspapers should also be different.

In the cities, where the main task is increasing production and raising the political consciousness

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THE CHINA WEEKLY REVIEW

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Vol. 117 Shanghai, Saturday, April 1, 1950 No. 5

THE GENERAL GORDON FIASCO

A LARGE number of Americans and other foreigners are facing difficulties and in some cases actual hardship because of the mishandling of the *General Gordon* evacuation scheme.

The one and only cause for this state of affairs is the so-called blockade of the port by Kuomintang warships, which the *North China Daily News* has termed "piracy."

The extraordinary thing about this "piracy" is that the US State Department is in practice supporting it, although officially even Secreary Acheson has denounced it as illegal. The action of the State Department at the time of the shelling of the Isbrandtsen freighter *Flying Arrow* demonstrated this peculiarity of American policy. While protesting strongly to the Kuomintang over what it termed a violation of international law, it at the same time brought all possible pressure to bear upon the Isbrandtsen Company to stop sending its ships to Shanghai.

Logically such a policy hasn't made much sense.

* * *

THE whole question of the "blockade" has come to a head with the case of the *General Gordon*. Early this year the State Department decided to recall all American consular personnel from China, and announced that a ship would be sent to get them. It was later revealed that the American President Lines' *General Gordon* would be used for the evacuation.

The first hitch in the scheme developed when the shipping company announced that it was unwilling to bring the vessel into port because it suspected that the mouth of the Yangtze River might have been mined by the KMT. Actually, no one, aside from the KMT naval command, knows whether the river is in fact mined. There is a considerable difference of opinion on the matter, with many local observers believing that it is not. Once before, it will be recalled, we had a similar mine scare which turned out to be a false alarm.

There then followed a period of considerable speculation over what was to be done. Finally it was revealed in the press that the American authorities and the APL officials had decided to send two shallow draft naval vessels to ferry the passengers from Shanghai down to the mouth of the Yangtze where the *General Gordon* would lie in waiting.

At this point there was some speculation as to just how the Chinese officials would receive the idea of American naval craft sailing up the Yangtze and Whangpoo rivers. Apparently this gave the planners some cause for thought because it was subsequently announced that civilian crews would be flown from America to Japan to take over the LSTs from the navy. Finally permission was sought for the ships' entry. This was about the end of February.

But on March 1, right in the middle of these preparations, Secretary Acheson announced in Washington that he was considering sending an American warship to Shanghai to evacuate US consular personnel. Now we all know that shortly after the liberation of Shanghai the new authorities announced that henceforth no foreign naval vessels would be allowed to enter port. Thus, we can only wonder at Acheson's statement. Perhaps he had forgotten this ruling, or maybe he was desirous of "testing out" the local authorities.

In any event the whole scheme fell apart when the local authorities declined to grant permission for the naval LSTs to enter port. The *Gordon* has now passed by and is on its way to America, leaving an estimated 1,500 passengers—all of whom had paid for their tickets and many of whom had given up their homes in Shanghai and other cities—virtually sitting on their baggage.

It seems to us utterly ridiculous that a simple operation of getting a ship in and out of Shanghai could have become so fouled up. We can but ask a few questions.

Why did Acheson say he was planning to send an American naval vessel to Shanghai when he must have known that such a ship would hardly be welcome. Why did the shipping line—which is owned by the American government—accept passengers' money and make other preparations, when it had no intention of bringing its ship into port and when it had not yet received a yes or no answer to its request to bring American naval ships into port?

These are not the only questions needing an answer. It is reported that after the authorities refused permission for the LSTs to enter port, there were discussions between APL and one or more local shipping concerns with the object of chartering local craft to ferry the passengers to the *Gordon* at the mouth of the River. These negotiations apparently were unsuccessful.

One almost begins to wonder whether or not the people running this show were primarily interested in getting the passengers out. It is almost inconceivable that such a mess should be made of a comparatively simple affair.

The only bright spot in the whole picture is that the Chinese authorities have announced that all the would-be *Gordon* passengers may travel to Tientsin by train. Considering the heavy burden which the railways are already carrying because of the blockade, the offer to transport more than 1,000 passengers and their baggage at one time is a rather substantial con-

tribution which, we think, indicates the cooperative attitude of the Shanghai authorities.

It almost seems as if the Chinese authorities are showing more concern for these stranded foreigners than is the State Department. At least they are doing all within their power to expedite the departure of those who wish to go. That, certainly, is more than the State Department has done to date.

* * *

AS this issue was about to go to press, passengers booked on the *Gordon* were told to get ready to leave, that the ship was being called back from the Pacific and that local craft would ferry them to the mouth of the Yangtze. The following day this information was proved erroneous. The latest word passengers have received is that the *Gordon* is again proceeding on its way to America. It is reported, however, that after discharging its passengers in Honolulu—some reports say San Francisco—it will turn around and speed back to Shanghai.

It is also reported, but without confirmation, that there is still another scheme aftoot which envisages the use of local ships to ferry *Gordon* passengers to the mouth of the Yangtze where they would board the two LSTs which would take then to Japan to board the *Gordon* on her next trip.

Actually these reports are worth recording only in that they show beyond any doubt what a complete mess this affair has become.

No matter what final solution is reached the weary *Gordon* passengers may well wish to ask a few questions, chief among which might be: Why did the people arranging the trip make the success or failure of the venture hinge on the question of whether or not the local authorities would relax their rule against foreign naval vessels? Why were not available civilian craft contracted for some weeks ago?

NEW TAX SYSTEM

ONE of the greatest changes in the country's economic system which the People's government has inaugurated is the new tax program, which is at fundamental variance with previous revenue systems.

For instance the nation's city dwellers are now being called upon to shoulder a substantial portion of this tax burden. What's more, the authorities have demonstrated that they plan to collect all the taxes due. These are certainly "revolutionary" steps. Just how revolutionary they are can be seen by the fact that currency inflation has been stopped. No new notes are now being issued. This is the first time such a thing has happened since the outbreak of the Sino-Japanese War in 1937.

Generally the people approve of this step since it means that a dollar will buy as much tomorrow as it does today or as it did yesterday.

However, a number of city folk are not altogether pleased. Partially this is because they are now forced to pay taxes for the first time. In the past the Kuomintang raised state funds by a heavy grain tax on the peasants, currency inflation and by contracting foreign loans. While it did have tax regulations for cities, such as various types of real estate, business, income and other levies, all such taxes were negligible because of the rapid inflation and the corruption of the tax collection offices. Inflation, which was often discernible at intervals of no more than a day or even a half day, quickly reduced a tax bill to fractional sums.

Thus, the majority of city residents have become accustomed to a "system" whereby they paid virtually no taxes, aside from what the government exacted via inflation of the currency. Some of the smaller, legitimate businessmen have as yet failed to realize that payment of moderate, regular taxes will in the long run be more beneficial, more "profitable" than paying a constant and frequently crippling levy through inflation.

Also, the large number of "illegitimate" businessmen in the cities—the hoarders, the speculators and the blackmarket dealers—who have fattened off the old order, see the new financial measures as a blow to their accustomed methods of operation. This class, and it is not small in a city such as Shanghai, has not only avoided direct tax payments in the past, but has protected its wealth—and even increased it—through a speculative system which inflation made possible.

The end result of the old set up was that the burden of financing the state fell most heavily upon those least able to pay: The debt-ridden farmer, who paid the major share in grain, and the laborer, white collar worker and small entrepreneur, who found the money in their pockets diminishing in value by the hour.

* * *

ACCORDING to official estimates, the Kuomintang government raised—in theory at least—the equivalent, of some 800,000,000 silver dollars yearly from customs duties, salt tax and other commodity taxes. However, in actual fact the KMT received only about 30 percent of this sum, with another 30 percent being squeezed by tax collectors and other officials. The remaining 40 percent, it is estimated, was lost through tax evasion.

Of course this did not represent all of the KMT's taxes. There were numerous regular provincial and local levies, as well as all sorts and descriptions of special or occasional exactions ranging from various types of "reconstruction" taxes to different varieties of "comfort" funds. Needless to say, the major portion of these taxes, too, never reached the state treasury.

Today, however, the People's government estimates that this year's revenue from taxation of all kinds, national and local, will come to the equivalent of 1,000,000,000 silver dollars. It is also expected that all of this sum will be collected and turned in to the state treasury. Certainly the many recent instances of investigation and crack-down on would-be evaders indicates that no effort is being spared to effect full collection.

Under the new system grain tax paid by the farmers, which in the past was always the main source of government income, drops to second place, being surpassed by urban taxes. Roughly, the cities will now pay 40.1 percent of the total national revenue, while the countryside will pay 37.2 percent. The third major category, accounting for 17.9 percent of total revenue, will consist of profits from state-owned enterprises.

Although the emphasis in tax collection has now been shifted to the cities, the tax authorities state that the burden will not be overly heavy. Overall taxes on business concerns will not run to more than three percent of gross income. Meanwhile, the farmers will find their tax burden considerably eased. For the first time the government has set a definite amount and each peasant knows just what his share is.

For instance, an ordinary peasant near Peking pays 14.5 kilograms of millet per *mou*, according to government statistics. This is considerably less than under the KMT when he was faced with two major burdens: A land rent which often came to as much as or more than 50 percent of his crop, plus an indefinite amount of land tax which was based on official estimates of his "ability" to pay. The end result was that year after year, the average peasant found himself sinking deeper and deeper into debt until he lost title to his land and, in many cases, was forced into the ranks of the day laborers.

The *Giefang Rhbao (Liberation Daily)*, dealing with the subject of taxation this past week, contrasted the old and new systems:

"The burden of urban taxation under the Kuomintang was laid mainly on the shoulders of the middle and small industrialists and merchants while the owners of the biggest industrial and commercial enterprises, such as the four families of Chiang, Soong, Kung and Chen, paid practically no taxes. Today it is entirely different. The big industrial and commercial enterprises, whether state owned or private, as well as the middle and small industrialists and merchants, are all to carry their share of taxation."

The last point which needs to be mentioned is that, in addition to the contrast between the old and new tax systems, there is another important and fundamental difference. The Kuomintang's exactions, even that part which finally reached the state coffers, were not used for the benefit of the nation. A large portion went to line the pockets of the KMT's higher echelon officials, while nearly all the rest was spent on various types of military and police action designed to keep the population subservient, or at least under control.

Today we can see the purposes for which the state spends the people's monies. Unlike the KMT days, the new budget was passed by an assembly made up of people's representatives and has been published for the public to read and study. With the civil war not yet ended, large sums are still required by the military, but even so the army's share is less than ever before, while in sharp contrast, the share received by the nation's educational institutions is higher than ever before.

As the *Giefang Rhbao* pointed out, the Kuomintang collected money from the people for itself, while the new administration collects money from the people and spends it on the people.

25 Years Ago In *The China Weekly Review*

Transport in Canton

March 28, 1925

Cantonese are not slow to adopt modern conveniences. In spite of the fact that Canton city possesses but a little over 27 miles of modern streets, the Municipal Department of Public Utility is able to report that there are 268 motor cars of all makes serving the public. In addition to these, there are also 6,300 vehicles of various description and 3,028 rickshas now in active service in Canton for the present.

Railway Obstacles

Ever since the late civil war, all Chinese Government Railways, especially the four trunk lines in the north, namely the Peking-Hankow Railway, the Peking-Mukden Railway, the Tientsin-Pukow Railway and the Peking-Suiyuan Railway, have one common problem to face; that is, how to restore their normal conditions, not merely for the purpose of yielding revenue for the government, but more particularly of rendering an efficient service to the public who need the transportation facilities of the railways from day to day. With this object in view, a Special Committee on Traffic Restoration was established in the Ministry of Communications to handle this problem. Several months have elapsed since this Committee started to work, yet military interference in the lines still remains the main obstacle to the complete restoration.

It must be pointed out, however, that the Committee of the Ministry has been very faithful to its mission, tackling this problem in a most praiseworthy manner. Special delegates have been dispatched to the lines from time to time to inspect the situation in person and to risk themselves to talk to the commands of various military units. But still a great number of locomotives and care are kept by the army, and still many extra troops trains are being forced to run, thus causing delays and inconveniences to ordinary trains, and making the operation of regular time tables utterly impossible.

From: "Progress of Railway Restoration" by K. P. Wang

10 Years Ago In *The China Weekly Review*

Chou Returns from Moscow

March 30, 1940

Chou En-lai, Chinese Communist leader, reached Yenan, Communist capital in Shensi Province, last week after a visit to Moscow and is expected soon in Chungking. Chin Po-ku, representative of the Communist Party in Chungking, has gone to Yenan to confer with Mr. Chou meanwhile, United Press reported. Mr. Chou was injured when he fell from a horse six months ago, but has fully recovered as a result of treatment received in Moscow.

Shanghai Labor

Shanghai's several hundred hire-car chauffeurs are threatening to go out on strike unless the several companies who employ them agree to a system whereby they will be guaranteed a tip of 20 percent on every fare paid, meaning that the companies should pay if the customers fail or refuse to do so. The companies term the demand "impossible" and "impractical," contending that the tip is a matter between the chauffeurs and their fares only and that car-users should have the option of paying a tip, depending upon the kind of service they receive.

Fifteen strikes involving 8,038 workers and resulting in a loss of 13,053 working days occurred in the International Settlement in February, according to the monthly report of the Industrial Section of the Shanghai Municipal Council. Among the plants affected were three cotton mills, one paper mill, a leather factory, a silk weaving plant, a lumber factory, and seven other industrial concerns.

People's Conferences in China

Thousands of people are participating in public affairs —and preparing for elected government—through the holding of conferences of representatives of all circles.

IN January of this year the people of Yenan county, the oldtime headquarters of the Chinese Communist Party in the northwest province of Shensi, held their first people's congress.

This was notable in that:

1) It marked the beginning of universal suffrage in the Yenan area.

2) It signified the conclusion of military action, the completion of land reform, and the development of people's organizations in Yenan.

The Yenan people's congress was the first to be established in China's Northwest. Other people's congresses have been elected in parts of the Northeast (Manchuria) which have been liberated long enough to complete the necessary steps toward local government based on universal suffrage. Elsewhere in China, counties and municipalities are in various stages of preparation toward this end.

Common Program

The process by which China is moving toward elected government is outlined in the Common Program adopted last October by the People's Political Consultative Conference in Peking.

The Common Program declares that the supreme organ of state power in China is to be a universally-elected All-China People's Congress. Until this Congress is convened, its functions are performed by the Chinese People's Political Consultative Conference.

It was this national PPCC, it will be recalled, which formally established the Central People's Government of China last fall. At the same time that it adopted the Common Program, to which all parties in the united front in China subscribe, the PPCC formulated the organic law of the new Chinese government and elected a Central People's Government Council which was given the task of organizing and supervising the administrative, judicial and military functions of the government.

Similarly, on lower levels of government, popularly elected people's congresses are to be the organs for exercising state power. However, these congresses may be elected only after "military operations have ended, agrarian reform has been thoroughly carried out and people of all circles have been fully organized." Until that stage is reached, government is to be exercised through military control and through the convening of conferences of representatives of all circles, which "shall gradually assume the functions of the local people's congresses."

In the transitional stage that marks most of China today, the conferences of people's representatives are an important political development. Since liberation, literally hundreds of such conferences have been held, attended by thousands of people throughout the length and breadth of China.

The official *New China News Agency* has declared that the people's delegates conferences are a medium "for establishing a close connection between the People's Government and the broad masses of the people prior to universal suffrage."

A Moving Experience

Wherever they are held, the conferences provide a deeply moving experience for the delegates.

A foreign missionary in Chengtu wrote the following description of the first conference there, based on talks with some of the delegates:

"Nearly 300, from all kinds of different organizations attended, rickshaw pullers, printers, weavers, mail-carriers, actors, various factories, students, teachers, businessmen, old warlords, and General Ho Lung, the famous Communist general now head of the Military Government here.

"One of the three professors from our university who were there and the general secretary of the YWCA told us about it. I wish you could have seen their faces and felt their deep emotion while they told us, separately at different times, of what they saw and heard and felt. 'I have never seen or felt anything like it. It is something quite new historically. Never has anything like this happened in the history of China.' And eyes tear-filled with emotion sparkled with a vision of a really new society. . . .

"One by one these representatives of the people spoke. They told of the terrible times they had had under the KMT government, and of how now they felt like real people, equal with any other person no matter what their position or status.

"The old warlords spoke, quite apparently affected deeply by this occasion, feeling for the first time that they were only persons just like these workers around them. They spoke of their past sins and of how they had exploited the people, but would never again!

"An actor spoke of how they had been looked down upon as a species of sub-human being, and of how wonderful it was to be meeting and speaking to the gentry here on an equality. He told how actors were going to make a real contribution to the new society through their profession and therefore now felt a sense of self-respect.

"A mail carrier told of the pittance which they had received while high postoffice officials got 50 times as much, but how they had tried to serve the people in the past and now would do so with increased enthusiasm. A student representative told of repression of students, activity of secret agents, secret arrests. . . ."

Various Stages

In some places, like Yenan and Harbin, the conferences have already reached the stage of popularly-elected people's congresses. In others like Tientsin and Peking, these conferences have elected the officials of the city government and are exercising the functions of a people's congress. In still others, like Shanghai and Hankow, they are broadening and extending the scope of their work without yet assuming the functions of a congress. And in more recently liberated cities like Canton and Chungking, they are beginning the process of organizing various groups and drawing in the wide participation of the people in public affairs.

In the East China area, which embraces the five provinces of Shantung, Kiangsu, Anhwei, Chekiang and Fukien (and eventually will include Taiwan), conferences of representatives of all circles have been held in most cities and county seats with a population of more than 30,000.

In North China, the convening of people's conferences has reached a stage where preparations are underway for the holding of people's representative assemblies on a provincial level, and the election of provincial people's governments is slated for this year.

In the Northeast, formerly known as Manchuria, the process is most advanced. Last August, a people's representative conference was held for the whole Northeast administrative area. This conference adopted an organic law for a Northeast People's Government and elected members of a government council to take over the work of the Northeast Political Affairs Committee which had served as an interim government for the various provinces of the Northeast since their liberation.

Thus we see the beginning of a future pattern of a pyramid of people's congresses on a local, provincial, regional and ultimately national level.

Unlike Western Parliaments

At this point, the reader may perhaps envisage a congress of the western, or parliamentary type, possessed of legislative powers subject to approval by the executive branch of government and constitutional interpretation by the courts. This is not the case.

The people's congresses are, as the Common Program describes them, "organs of exercising state power," possessed not only of legislative but also of administrative and judicial functions. They are organized on the principle of democratic centralism. That is, within the congress the minority is subordinate to the majority, and each level of congress is subordinate to the next highest grade, up to the All-China People's Congress, which is the supreme organ.

The nearest point of comparison is the soviet system in the USSR.

China's premier, Chou En-lai, in his report on the Common Program, said that the new democratic system of government in China "entirely differs from the parliamentary system of the old bourgeois democracies and belongs to the category of the system of the people's representative conference, in which the socialist Soviet Union takes the leadership."

However, there are important differences. As one Chinese writer* described it: "The new democratic government of China may be compared with the Soviet Union and the people's democracies of Eastern Europe in that democratic centralism is practised and the leadership is assumed by the political party of the proletariat. But there is also a difference when compared with these other countries in that classes have been abrogated in the Soviet Union while socialism is being gradually realized in the people's democracies. In China today, however, the new democratic government still consists of an alliance of the working class, the peasantry, the petit bourgeoisie, and the national capitalists."

Different Classes

Thus, the English Fabian socialists Sidney and Beatrice Webb write in their exhaustive study "Soviet Communism: A New Civilization": "By the word soviet, which orginally meant any kind of council, is now understood a council of delegates or deputies chosen by the workers employed in several factories and other establishments in an industrial city or district; or by the soldiers of various units of an army; or by the peasants of a village or agricultural district or community; or by any combination of these constituent groups."

In China, the people's congresses and the people's delegates conferences include not only representatives of the working class, peasantry and soldiers, but also democratic elements among the petit bourgeois and capitalist classes.

* Kang Mo, writing in *World Culture*, October 7, 1949.

Make-up of a Conference

For an illustration of the composition of a people's delegates conference in China, we turn to a report of a Conference of Representatives of Various Groups of People of Sunkiang, a district outside of Shanghai, which appeared in the Shanghai *Giefang Rhbao* on October 12. This conference, it should be noted, was the first to be held in the area. Therefore, its function was consultative in nature and the delegates were for the most part selected by the preparatory committee, which invited various organizations to send representatives and also sent invitations to a number of individuals. The paper observed:

"The representatives are being selected with the utmost care and caution, with particular emphasis on their true representativeness. For one thing, the 286 representatives chosen are made up of representatives from the Peasants' Association, the Labor Union, the Students' Union, women's circles, the enlightened gentry, representatives from the Communist Party, the administrative organs, and the armed forces, etc. Furthermore, thorough attention has been paid to ensure a fair and equitable ratio of representation between the agrarian districts and the town, between the various groups and trades, between various age groups, the sexes, different religious beliefs, and different political inclinations.

"The conference shows that not only must proper attention be given to the general representation of workers, farmers, students and the intelligentsia, but the same attention should also be paid to the representation of all democratic classes of people. It is necessary to have all those who can truly represent the various democratic classes of people and who are representative of the opinion of various groups of people take part in the conference. The scope of the conference should be made large and inclusive so that it will be truly representative of the opinion of all groups, for only then will it be able to educate the masses, and to strengthern the People's Government's ties with all quarters."

China's well-known sociologist, Fei Hsiao-tung, wrote, after attending the first conference of representatives of all circles in Peking last August: "...I found a multitude of people, in uniform, in working garb, in short dresses, in long gowns, in foreign style clothes, and even one with a skull cap... it was the first time in my life that I saw such a cosmopolitan crowd assembled together in a single place for the discussion of problems. These people were truly 'representative' of the whole population of the city ... (they) did not come from elections held among the populace, and formally they did not satisfy the conditions of democracy I had known previously. But I would like to ask if any representative body like this one could be produced in any assembly in Britain or the United States?"

Peking's Conferences

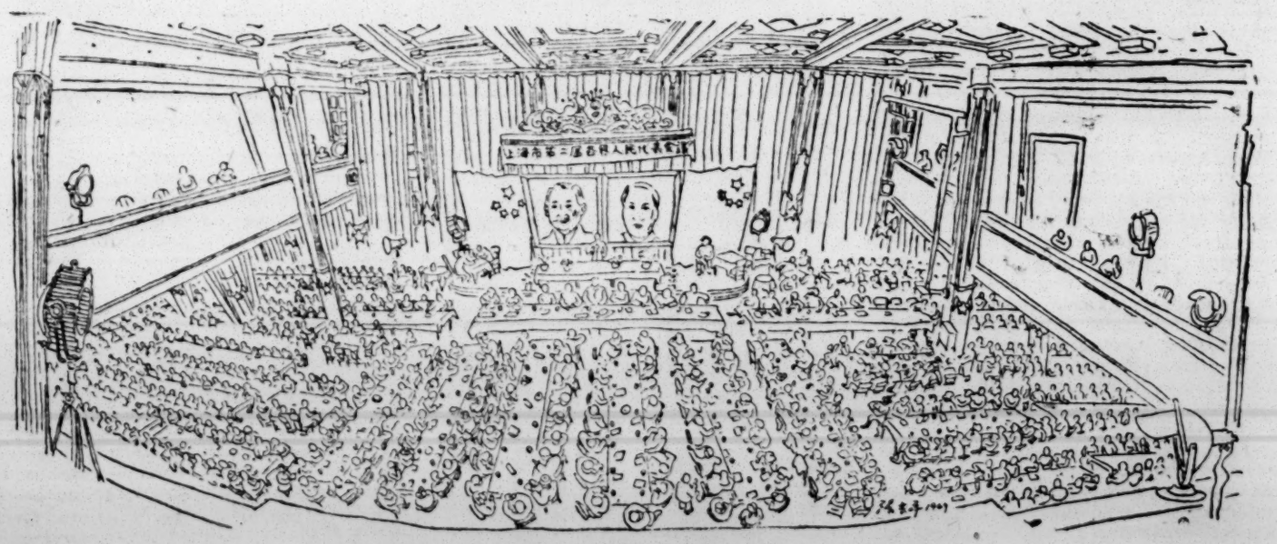
The experience that Peking has had may illustrate the progressive development of various sessions of a people's representatives conference.

The first conference, held from August 9 through 14, some seven months after the city was liberated, was attended by 312 delegates. This conference was purely consultative in nature. Delegates heard reports on the city administration from Mayor Yeh Chien-ying and other officials, discussed the tasks facing the city for the next three-month period, and passed 171 resolutions concerning ways and means of meeting the problems ahead. The conference also created a consultative committee to function until the next people's delegates conference was convened.

The second conference was held in November. At this time it was announced that 164 of the 171 resolutions passed by the first conference had been carried out.

Peking's mayor reported on the progress that had been made in city government since the last conference, the rehabilitation of industry, growth of cooperatives, establishment of free schools and literacy classes, public health work.

More than 70 percent of the 424 delegates to this second conference came as the elected representatives



Artist's drawing of Second People's Delegates Conference in Shanghai

of organized groups. Because of the increasingly representative nature of the conference, and the fact that public order in Peking was secure,** the conference was considered in a position to begin assuming the functions of a people's congress. It consequently elected city officials to govern Peking. Until a municipal people's congress is elected by the populace, the Peking conference will continue to meet at three month intervals.

The delegates passed a number of resolutions for the next three month period. One of these called for the closing of all brothels in Peking. Another provided for the setting up of a social insurance scheme for unemployed workers. A third dealt with the opening of supplementary educational classes which the working population could attend after working hours.

One delegate, an 83-year-old man, told the closing session of the conference: "I have lived to such an old age and have been a mandarin in the Manchu dynasty, but I have never seen such a good government."

Shanghai's Six Tasks

Shanghai's first conference of representatives of all circles was held early last August, less than three months after the city was liberated. At that time, the biggest problem facing the 650 delegates was the blockade. To overcome this, the conference, at the proposal of the Shanghai City Committee of the Chinese Communist Party, set six major tasks for the city:

1) To give active support to the People's Liberation Army in order to hasten the liberation of the rest of China.

2) To carry out a planned and gradual decentralization of the population of Shanghai and a removal of factories and schools to the interior in order to alleviate the congestion in Shanghai and reduce the burden on the city.

3) To change the development of industry so that it would be based on producing for home markets rather than being dependent upon foreign economy.

4) To mobilize people for work in the rural districts to organize the farmers, increase production and carry out agrarian reform.

5) To develop communications in the interior so as to enable an interflow of goods between urban and rural areas.

6) To practice austerity.

After their adoption by the conference, these six tasks became slogans which appeared frequently in the newspapers and were adopted individually by scores of meetings of labor unions, women's groups, youth federations and other organizations in the city.

The conference also set up four special committees to work with municipal authorities in dealing with other matters: a labor-capital relations committee, a production problems committee, a refugee repatriation committee, and a preparatory committee to set up a Shanghai branch of the Sino-Soviet Friendship Association.

Second Conference

Four months later the second people's conference was held in Shanghai, this time with 667 delegates. Because Shanghai has been liberated for a considerably shorter period than Peking, and is probably the most difficult city in China to administer, its degree of self-government is not so advanced as Peking's. The second people's delegates conference was described as an "extension and development" of the first without yet assuming the powers of a people's congress.

The conference first heard Mayor Chen Yi outline overall developments since the conclusion of the last conference. At that time, he said, the industrial and commercial situation in Shanghai was "truly serious." The machine industry was "on the brink of collapse," the textile industry "found production costs higher than selling prices," food prices were going up, and in the month of July alone there were more than 2,000 cases of labor disputes.

But by means of the counter-blockade policy adopted by the first conference, plus the improvement in the political and military situation throughout China and the help rendered Shanghai by the rest of the country, he continued, the city had "found it possible to tide over its difficult period of July, and entered into the months of August and September when commodity prices were stabilized and the economic situation vastly improved."

However, the mayor warned that many problems still lay ahead, and he called for the united efforts of the people and the government in surmounting them. He asked delegates to "listen carefully" to and "review thoroughly" the two reports on Shanghai's municipal administration and its financial and economic situation that would be made at the conference.

Forum for Reports

One of the unique features of the people's representatives conference is the role they play as a forum for regular, periodic reports from the government to the people.

Deputy mayor Pan Han-nien's municipal report covered the three month period of August, September and October. During this period, the report said, the work had changed from takeover operations to the implementation of the six major tasks for overcoming the blockade and constructing a new Shanghai. Many of these measures had taken on the nature of a mass movement. For example, in the drive to support the front more than JMP8,000,000,000 had been collected for the troop comforting campaign.

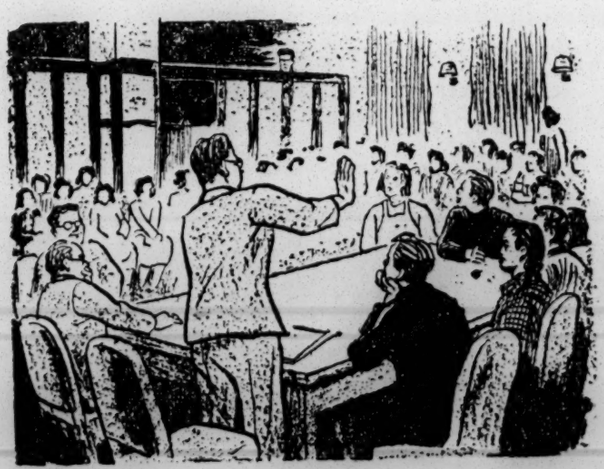
The report revealed that the municipal government, for the first time in the history of Shanghai, had balanced its budget.

It described the type of assistance that the government was giving private business, citing some 2,901 petitions that had been received from various enterprises asking for aid in the form of production loans, purchase orders, raw materials, removal of factories and similar matters.

And it was frank to admit setbacks where they had occurred, as in the case of the refugee repatriation scheme. Here, 400,000 refugees had been sent back to their native places in August. But in September and October, because of the serious floods in many regions in East China and the improvement in Shanghai's industrial position, only 7,000 refugees were repatriated, while between 150,000 and 160,000 new refugees had entered the city! Refugee repatriation work was therefore being modified and refugee centers were being set up in the city. Meanwhile, investigations were to be made of conditions in the reclaimed areas with the idea of resuming large scale repatriations in the spring.

Proposals and Resolutions

The conference did not consist of a mere passive listening to reports. Some 142 proposals were submitted by various groups and individuals, both public and private, during the seven days of sessions. Eight resolutions were passed. They dealt with such matters as new taxation regulations, methods for paying the



** Fei Hsiao-tung reported that in the three months between conferences "there were unearthed 37,000 special agents, reactionaries, stragglers, and other elements who operated to undermine public security. More than 6,000 special agents and reactionaries were registered, and more than 270 cases of attempted sabotage were unearthed with the arrest of over 200 remnant bandit elements. These efforts brought about a historically unprecedented peaceful situation in Peking. During the month of October, for instance, in the areas under the jurisdiction of 11 of the city's public safety sub-bureaus, not a single case of robbery was reported."—*New Reconstruction*, December 6, 1949.

year-end bonus to workers, and a number of new labor regulations concerning the setting up of labor arbitration committees, the formation of safety and sanitation committees in factories, the employment of temporary workers, and abolition of the "search system." This last was particularly hailed by the city's laborers, who had resented the practice of being searched before they could leave the factories.

Consultative Committee

The resolutions also provided for the setting up of a consultative committee to carry on until the holding of the third conference of people's delegates. This committee was to discuss and act on various other proposals that had come before the conference and to supervise the work of a number of special committees that had been set up to push victory bond sales, deal with the refugee problem, and handle various other specialized matters.

Like the conference itself, the consultative committee is designed to act as a bridge between the government and the general public. When the conference adopted the new tax regulations, which had been submitted by the Finance Bureau of the city government, it accepted them with the proviso that certain revisions be effected by the consultative committee. At its first meeting after the conference, the committee made the revisions that had been suggested by delegates, officially adopted the regulations, and transmitted them to the Military Control Commission for enforcement.

On other proposals which it considers, the committee announced that its procedure will be to conduct hearings with both the proposer and the pertinent city officials present, and to invite public circles connected with the subjects discussed to participate in the deliberations "so that concrete decisions may be reached and transmitted to the Military Control Commission for attention."

Growth of Organizations

With this type of permanent consultative body established, it can be assumed that Shanghai has moved a step closer to the stage where its conference of representatives of all circles, like Peking's, may be ready to assume the functions of a people's congress. Already, more and more groups have become organized and are electing the persons who will represent them at the next conference. The Shanghai General Labor Union was inaugurated on February 7, uniting, on a horizontal level, all of Shanghai's unions and their membership of almost 1,000,000 workers. The first meeting of the Shanghai Farmers' Representative Council, representing 500,000 Shanghai farmers, was held early in March to formally establish a Farmers' Association and elect delegates to the next session of the Shanghai conference of representatives of all circles. Teachers, women, youth groups, industrial circles, etc. likewise have their own organized groups.

The experience of Peking and Shanghai has been duplicated in virtually every one of China's cities where, for the first time, the people are joining together to participate in government. Canton's first people's representatives conference was held late in November, about six weeks after the city was liberated. Chungking and Chengtu likewise have held people's conferences in recent weeks.

The holding of people's representatives conferences is not, however, confined to the cities. Throughout the countryside, where the basic problem is land reform, the conferences play a parallel role. And, in terms of numbers of people involved, their importance is even greater.

— MARY BARRETT

(This is the first of two articles)

COLLECTIVE AGREEMENTS SIGNED IN SHANGHAI

BEGINNING early last summer various Shanghai industries started negotiating city-wide collective labor agreements (see *Review* for November 26, 1949) with their workers. This type of agreement, a relatively new development in China, is reported to have been generally welcomed by both labor and management.

Those individual agreements which have been published show that almost all possible aspects have been discussed and nearly all forseeable contingencies provided for. In the case of the photo studio agreement, for instance, even such matters as the amount of personal work which employees shall be allowed to do for themselves, including the rates at which such work will be charged, were covered.

Agreements in other industries listed such things as the special conditions under which employees may take time off from work for union matters, length of lunch hours, amount of vacation and sick leave for employees of different ranks and so on. Such provisions were viewed with keen interest locally because of the complete lack in the past of any such formalized system in the majority of the smaller plants and shops in the city.

Of particular interest was the classification of the various plants in a given industry into different ratings, allowing for varying pay scales and hours of work, depending upon the mechanical condition of the individual factories.

According to a compilation made by the *Shanghai Kung Shang* (*Shanghai Industry and Commerce*), nearly 40 different industries or lines of business have already signed collective agreements with their workers. The number of individual establishments concerned comes to nearly 8,000, while more than 220,000 workers are involved.

The largest single group is the pedicab industry, in which 95 pedicab firms signed a collective wage agreement with 100,000 pedicab drivers. The agreement involving the second largest group was signed between some 51,000 workers and 479 dyeing and weaving plants.

Details of the majority of agreements signed to date are given below:

Trade	Date Signed	No. of Workers	No. of Firms
Machine industry	June, 1949	22,600	766
Peking drama performers	June 14, 1949	200	4
Nail manufacturing industry	June 23, 1949	—	87
Coffin shops	June 24, 1949	—	400
Incense and candle shops	July 4, 1949	—	366
Shoe shops	July 11, 1949	7,000	1,022
Tape and elastic band manufacturing industry	July 18, 1949	400	—
Book binding industry	July 21, 1949	15,000	319
Leather goods trade	July 29, 1949	—	450
Pastry shops	August 10, 1949	—	284
Beancurd shops	Sept. 3, 1949	800	740
Photo studios	Sept. 8, 1949	1,304	370
Paint industry	Sept. 8, 1949	470	31
Small restaurants	Sept. 28, 1949	200	53
Paint shops	October 9, 1949	458	125
Vegetable oil refining industry	Oct. 24, 1949	1,000	16
Knitting industry	Nov. 5, 1949	500	10
Hotels	Nov. 8, 1949	3,800	385
Bleaching and dyeing industry	Nov. 18, 1949	700	—
Mirror manufacturing industry	Nov. 21, 1949	300	59
Ladies' furriers	Nov. 23, 1949	170	105
Candy stores	Nov. 29, 1949	1,450	403
Grocery shops	Dec. 8, 1949	—	403
Camel's wool industry	Dec. 10, 1949	422	31
Laundries	Dec. 14, 1949	1,002	477
Sock manufacturing industry	Dec. 15, 1949	1,059	28
Furriers	Dec. 20, 1949	250	—
Furniture, radio, clock and camera wooden case manufacturers	Dec. 23, 1949	140	—
Bath houses	Jan. 28, 1950	7,130	138

Japanese Criticism of US Occupation Policy

Increasing criticism of the occupation in Japan is reported by the Tokyo correspondent of Overseas News Agency, Robert P. Martin.

In recent dispatches from Japan, Mr. Martin lists among the points at issue opposition to the idea of US bases in Japan and criticism of American interference with trade with China.

Among the "telltale signs of resistance," he reports, are the following:

* * *

"Several hundred Japanese educators, newspapermen, technicians, students, labor experts and government officials have been sent to the United States to study and observe how democracy works there. Most Japanese envy those who have been sent, but one highly placed official told this correspondent that some Japanese refer to them as 'American puppets.'

"A Japanese labor leader told this correspondent that the strikes planned for march were designed not only to get higher wages for government workers 'but to destroy the occupation's restrictive economic policies.'

"The *Nippon Times*, organ of the Japanese Foreign ministry, has published a letter criticizing an American correspondent who reported that Japanese favored granting bases to the United States.

" 'If an American went and asked a man on the street about anything,' said the letter, 'the Japanese would bow and smile and say, "yes, yes, yes." What the intelligent people, those who are not afraid to say what they think, those who can neither lose nor gain by taking sides—what they think was expressed by the 60 prominent educators who spoke against any foreign power retaining bases in Japan after the conclusion of the peace treaty. . .

" 'If they want to the Americans can take part or all of Japan. We have no right to protest. But whatever they do, let them do it openly, not hiding behind absurd statements such as: Retention of US Bases Viewed Favorably Here.' "

* * *

Purge of Professors

"The intellectuals, ranging from the extreme conservatives to the pro-communists, are the most outspoken in their criticism of the occupation. Their opposition approached the heights last year when they vigorously attacked the occupation for secretly inaugurating a purge of communist and leftist professors from the universities and schools.

"President Shigeru Nambara of Tokyo University, one of Japan's most outstanding and conservative educational leaders, led the attack. He said the purge resembled the police state methods the Japanese militarists used in the 1930's first to purge Japanese communists and then to get rid of those who opposed militarism.

"Japanese educators also openly criticize General MacArthur's austerity drive which has curtailed appropriations for education. The headmen in two villages committed hari kari after apoligizing to their people for not being able to erect school buildings. Both men blamed the occupation's economic policies.

"The educators and intellectuals have spear-headed opposition to any Japanese military alliance with the United States or establishment of permanent American bases here. A group of 60 of these leaders issued a statement recently opposing a separate peace treaty or a military alliance.

"A few days later the leaders of this organization were visited by Japanese police who said they were investigating the group on orders from General MacArthur's headquarters."

Martin adds that criticism also emanates from Japanese labor and businessmen.

* * *

Labor Leaders Abandoned

"Japanese labor leaders," he says, "no longer disguise their opinion when discussing legislation which was written in General MacArthur's headquarters or was enacted by the Japanese Diet on orders from the Supreme Commander. Communist control of the unions has been more or less supplanted by anti-communists, but now these leaders believe they have been abandoned by General MacArthur.

"Discussing a contemplated strike to obtain higher wages for 1,800,000 government workers, one labor leader bitterly commented that workers found it impossible to obtain a 'fair break' in Japan today. He pointed out that General MacArthur had obtained legislation denying government workers the right to strike, but had guaranteed that their welfare would be protected by the government through arbitration machinery.

" 'But now,' this labor leader declared, 'an arbitration board has issued a decision granting wage increases to government workers, who are the lowest paid in Japan. The government can grant the increase. But the government has refused to accept the decision and General MacArthur has upheld the Premier.'

"This labor leader is a member of the Democratization League, which General MacArthur encouraged in order to break the communist hold on the labor movement. But even he has lost faith in the Supreme Commander.

* * *

China Trade Wanted

"Businessmen are increasingly blunt in their criticism of the occupation, and particularly of American policy. The *Oriental Economist*, organ of big business, published a stream of articles criticizing American policy which restricts construction of an adequate merchant marine, the limitations on trade with communist China, and especially the 'Dodge line' — the austerity policy initiated by Joseph Dodge, the Detroit banker—which it charges is leading to a deflationary depression.

"One attack, which no Japanese would have dared a year ago, was published by the *Oriental Economist* stating that Japanese economic difficulties are due to 'the thinking and the policies pursued by the authorities'—and there was no doubt the article referred to the occupation.

"At a round-table conference of businessmen recently, this correspondent was told that occupation policy is favoring American investors in acquiring stock in Japanese companies because General MacArthur's economic controls have made it impossible for the Japanese themselves to purchase these stocks. American businessmen deride this claim, insisting there has been little American investment in Japan, other than by General Electric, and the rubber and oil companies. Japanese insurance companies have also protested against the policy which gives all insurance business involving foreign exchange to a few foreign firms.

"The bitterest criticism of American policy, which gives rise to anti-occupation sentiment, is directed against interference with Japanese trade with communist China.

"A number of Japanese businessmen told me that many firms were on the verge of bankruptcy because their normal markets have been shut off and, as a result of the occupation's stringent monetary policy, they have not been able to secure credit to keep their factories operating. They were especially bitter over the fact that they are forbidden to sell rolling stock, rails and heavy machinery to communist China at the moment the British are moving into that market."

THE CHINESE IN NEW ZEALAND

Restrictions and discrimination against emigrants from China during the past 70 years are linked with economic conditions; today anti-communism is a new factor.

THE Chinese community in New Zealand in its 80 to 90 years of existence has had more than its share of troubles. They are not over yet. Today the police are trying to discover whether any of the New Zealand Chinese have Communist affiliations and should anti-communism in the Dominion grow, the whole Chinese community is always liable to be treated with suspicion and hostility.

It was with suspicion and hostility that the first Chinese was greeted when he arrived in Dunedin on June 1, 1863. He was given a noisy reception when he landed at the jetty and quickly made his way up the street. One of the papers commented: "Ah Chow has at last made his appearance in Dunedin. These pests of society may now be expected here in droves. But John will not find himself so much at home in this part of the world as in Victoria, New South Wales. Some of the friends of these interesting bipeds should warn them of the risk they run in rushing to the New Zealand diggings, as the banks of the river are much steeper here and the current's much stronger than at the Buckland (River in Victoria)."

Despite the unfriendliness of their treatment, the Chinese continued to migrate to New Zealand and by 1881 there were 5,004 in the country. The attraction was the discovery of gold in Otago, and many of the early arrivals came from the goldfields of California and Australia, to be joined later by migrants direct from China. The poverty existing in Kwangtung province had driven them from their homes. In leaving they risked not only a long, uncomfortable and dangerous sea voyage, to say nothing of the dangers to be encountered on arrival at their destination, but also the chance of severe punishment under the Manchu laws. These frowned upon emigration and, though the laws were but weakly enforced, there was always a chance that they would be put into operation and the death penalty exacted. Furthermore it followed that the migrant could expect no assistance from his home government if he suffered abuses in the country to which he migrated. And the laws afforded officials an opportunity to exact exorbitant fees for permits to go abroad, to extort money on the return of the emigrant by threat of enforcing the law, and by the same threat to compel his family to pay money during his absence.

This added to the financial burden of the emigrant, already made heavy by having to meet the high interest rates demanded by the family syndicate which financed his passage.

Difficulties of Settlers

The hope of the migrants was to win a fortune on the goldfields and then return home to China and reestablish family life. For this reason they did not bring wives or families with them. In this they differed from the other colonists of New Zealand. The majority of these were from Great Britain and, like the Chinese, they came to New Zealand to seek a better livelihood than they were able to secure at home. But they brought their families with them and intended to settle permanently in the new country.

This difference is of some importance as it gave rise to the general attitude in New Zealand that the Chinese made poor settlers.

The attitude had serious justification in that the intention of the Chinese was merely to make money and then take that money with them out of the country. What is often overlooked is that in many cases the intent was not fulfilled and the Chinese stayed on to play an important part in the development of New Zealand.

And the intention neither justified nor was the reason for the abuse to which the Chinese were subjected. Sometimes this amounted to no more than slighting discriminations and verbal insults, but at other times it rose to brutality and murder.

In the early 'sixties the European miners on one of the Otago goldfields —Hogburn—declared that they would not allow the Chinese to work there and when, in the spring of 1867, a solitary Chinese appeared in the township, the Europeans seized him, forced him into an empty barrel, battened him in and rolled the barrel up and down the street. He was finally allowed to escape, but died soon afterwards, demented from exhaustion and fright. A large reward was offered by the government for securing the arrest of the men responsible, but they were never apprehended.

Economic Scapegoats

Brutalities such as this were, however, comparatively rare and were opposed not only by the Government but by the majority of the settlers in the colony. But there were many less grave assaults and, with these added to the many insults and to the fact that there were wide barriers of language and custom between the Europeans and Chinese, it was natural that the Chinese endeavored to keep to themselves as much as possible. They seldom worked with the European miners and they established separate villages alongside the European townships.

Because they stood out distinctively from the rest of the community, the Chinese became scapegoats in time of economic stress. As competition became more acute on the goldfields, so demands by the European miners for the exclusion of the Chinese increased. In 1871 the member of Parliament for one of the goldmining constituencies asked for restrictions on Chinese immigration. A committee was set up to make investigations, but its report upon the Chinese was generally favorable and no action was taken.

Despite this, the attack on the Chinese was continued in Parliament with allegations of their being immoral, filthy and a danger to public health. The insistence of the anti-Chinese members, together with the influence of Australian discrimination, led in 1879 to the introduction of a bill to impose a £10 poll tax. The bill was not proceeded with, but in 1881 a similar bill was passed. In addition to the imposition of the poll tax, it limited the number of Chinese immigrants on any one ship to one for every 10 tons of ship's tonnage. This was increased in 1888 to one passenger per 100 tons and in 1896 to one per 200 tons, at which time the poll tax was also raised to £100. In 1899 an education test was imposed.

Racial Policy

The leading figure in the advocacy of these restrictions was Richard John Seddon, who became premier in 1893. Seddon was responsible for introducing much of the progressive legislation which paved the way for the Social Security Act in later years, but in his foreign policy and his racism, he proved himself a first-class reactionary. This quotation from one of his speeches in support of an anti-Chinese measure indicates his attitude:

"The object we had is to maintain the purity of our race; and that is above all questions introduced into the debate. . .the efforts of members of this House ought to be. . .to exclude these undesirable aliens and keep pure our own race in this colony. At the present time you should be pleased at being a superior race, you should be pleased at coming from a race that at the present time dominates the world; but if you allow these people to come in the result will be an intermixture and what does this intermixture mean? It means the decadence of your own race. . .(Another speaker) said the British are extending their territory; that they are adding to it by the territory they have taken possession of from inferior races. . .and he contended that, as a consequence of that, we must admit these people on even terms with ourselves. . .Well, if we bring these inferior and colored races under the British flag, it does not follow that we are to admit them into our families. If that is what the extension of the British Empire means to the Britisher, then the less territory we get and the less colored races are brought under our flag, the better it will be for the good of the Empire."

On another occasion he said: "I would rather see a case of plague here than see a hundred Chinamen land."

In justice, it must be noted that the Chinese seldom completely lacked friends either in Parliament or out of it and usually someone would counter the wilder accusations made against them, but the friends of the Chinese were not numerous enough nor strong enough to prevent the discrimination.

Probably Seddon and others like him were not insincere in their belief that the Chinese constituted a danger, but at the same time it should be observed that to rail against the Chinese was an easy method of gaining popularity and such outbursts helped to distract attention from the economic stresses which were the forerunners of every anti-Chinese measure.

It was, as usual, unemployment which led to the introduction of the next bill affecting the Chinese. Soldiers returning from World War I found it difficult to get work, while around them they saw Asiatics occupying jobs. With the end of goldmining the Chinese had moved into the suburbs and cities to take up market gardening, the retailing of fruit and vegetables, and laundry work.

New Bill in 1920

Agitation against the Chinese (and Indians) led to the passing of the Immigration Restriction Amendment Act of 1920, under which every person entering New Zealand who was not of British birth and parentage was required to obtain a permit from the Minister of Customs. This act enabled the Government to keep out of the country whosoever it desired without openly discriminating against any particular race or nation. In fact, it was intended to restrict Chinese and Indian immigration. Furthermore, the poll tax for Chinese remained. However, payment of this was, from 1934 onwards, waived and in 1944 the law imposing it was repealed.

From the passing of the 1920 act to the present day, consideration of New Zealand's official attitude towards the Chinese must concern itself with the manner of administering the act, not with discrimatory legislation, for none was necessary.

Under the act Chinese immigration was severely restricted. For over 20 years, from 1926 on, no permits for permanent residence were issued to Chinese and although many had their short-term permits renewed several times, they had no security of residence. Only New Zealand-born Chinese were permitted to bring into the country their Chinese wives or fiancees. Chinese were also discriminated against under the act fixing the hours for the closing of shops, under the drugs act—their premises could be searched without warrant if it was suspected they were being used for opium smoking—and under the old age pensions act. The last-mentioned discrimination was removed when the Social Security Act was passed in 1938.

Just before World War II, as part of the New Zealand policy to assist war refugees, Chinese who were permanent residents were permitted to bring into the country their wives and children. The families were, however, under bond to leave again within two years, together with any children born during the period of stay. The war necessitated the extension of this period, but only as a result of pressure, mainly by the Presbyterian Church, did the government finally allow these refugees to stay permanently. At the end of 1947 the refugees and others on short-term permits were, on application, granted permanent residence permits. The following year it was decided to allow 50 Chinese of long residence to bring their wives into the country each year. As a result of policy, not of any legal barrier, there had been no naturalization of Chinese since 1908. The Government now favored allowing Chinese to become naturalized New Zealand citizens, but because of official Kuomintang opposition to Chinese repudiating their Chinese citizenship, the policy was not changed.

Some Improvement

The position today, then, is far more satisfactory on the official level than it has been for 70 years, while the general attitude of the New Zealand people towards the Chinese community is better than it has ever been. This is partly due to the admiration of New Zealanders for China's part in the common war against Japan and it is partly the result of the Chinese showing that they can be as good citizens of New Zealand as anyone else.

A Chinese pioneered gold-dredging in New Zealand, another introduced the factory methods of butter production so important to our economy, and one of New Zealand's most distinguished scholars of recent years was a Chinese.

But these individual and outstanding efforts would count for little if the whole Chinese community, now numbering about 5,000, had not shown that, given the opportunity, its members could do, and do well, any of the jobs offering in this country.

But despite the improved situation over the past few years, it is necessary to point out that as yet absolute equality for the Chinese has not been attained. There is still some social discrimination. And we have not yet reached the stage where we permit the entrance of immigrants needed to fill certain jobs, solely on consideration of their qualifications and regardless of their race or color.

It is also necessary to point out that the improvement in the treatment of the Chinese in New Zealand has come about during a period of prosperity. The Chinese may again become scapegoats in times of stress. Most New Zealanders, proud that their country's recent attitude towards their Asiatic neighbors has been free from the excesses Australia has indulged in, hope that this will not occur, but the possibility cannot be overlooked.

— PHILIP MATTHEWS

Seattle Incident Arouses Marshall Plan Countries

THE rejection by the city of Seattle, Washington of two British bids to install some generating equipment is reported to be causing considerable resentment among the Marshall Plan countries.

The details of this deal have been reported by Marquis Childs, one of the leading American columnists, and by the *New York Times* correspondent Michael L. Hoffman.

According to their accounts, the contract for the Seattle transformers was awarded to the General Electric Company, whose bid amounted to US$751,000. This bid was higher than another American bid for US$720,000, and was much higher than either of the British bids, which came to US$572,000 and US$515,000. The British firms also would have had to absorb the 15 percent duty when the transformers were delivered.

Marquis Childs comments: "It is not hard to see why this has stirred a wave of skepticism in Europe over America's intentions. Paul Hoffman, the dynamic head of the European Cooperation Administration, has been preaching the necessity for Britain and the rest of Europe to concentrate on sending imports to this country.

"So two British firms made an all-out effort. They made detailed bids as called for by the municipality of Seattle. They cut costs to the bone.

"And what happens? An American firm that was not even the low bidder got the contract. ECA had a representative look into this and the representative reported back informally—and somewhat vaguely—that the city was justified in accepting the bid approved."

From Geneva, Michael Hoffman reported to the *New York Times:* "This event has received as much, or more, publicity in the Continental and British press than President Truman's tax message to Congress. . .Few Europeans know, or care, what the technical reasons were for rejecting the British bids. All they know is that the British bids were better than competitive bids and were turned down. This is precisely what the vast majority of responsible Europeans believed would happen in all industrial fields if and when Europe demonstrated an ability to earn dollars by selling in the United States markets.

"This distrust of American willingness to follow through on the Marshall Plan, as that plan has been officially outlined by United States spokesmen from the President on down, is one of the few beliefs about America common to Europeans of all shades of political opinion. It has recently been voiced by leading British bankers, by United Nations economists and by Continental labor leaders, among others."

Meanwhile, the citizens of Seattle, who have to pay for the transformers, are beginning to ask questions too. A taxpayers' committee is reported to have been formed to find out why the municipality did not take the low bid.

CHINA AFFAIRS

NATIONAL

Sinkiang Agreement

IN Moscow, on March 28, the *NCNA* issued the following communique on the conclusion of two agreements between the People's Republic of China and the Union of Soviet Socialist Republics on the establishment of two corporations to be under the joint partnership of China and the USSR:

On March 27, two agreements on the creation of two Sino-Soviet corporations, namely a petroleum and a non-ferrous metals corporation, were signed in Moscow. The two corporations will be organized on a joint partnership basis and will be aimed at helping the development of China's domestic industries and strengthening the economic cooperation between China and the USSR.

The function of the projected petroleum company will be to undertake prospecting, surveying, working and refining petroleum and gas; while that of the non-ferrous metals corporation will be to prospect, survey and work such metals in Sinkiang Province of the Chinese People's Republic.

The products of the two corporations are to be divided equally between China and the Soviet Union, and the running expenses and profits of the corporations are also to be divided equally.

Leadership of the two corporations is to be assumed by representatives of the two contracting parties in rotation.

The agreements further stipulate that, during the first three years of the operation of the two corporations, the directors of the administrative committees are to be selected from the Chinese representatives, and vice-directors from the Soviet representatives; while the general managers of the two firms are to be chosen from among Soviet citizens, and the vice-managers from among Chinese citizens.

After the expiration of each three-year period, the positions of the representatives of the two contracting parties are to be interchanged.

The corporations are to be staffed by an equal number of citizens of the two countries, and in all instances the rotation system in the discharge of duties should be strictly followed.

The two agreements are valid for 30 years.

The negotiations were conducted in a friendly atmosphere and with perfect mutual understanding.

The agreements were signed by Chinese Ambassador Wang Chia-hsiang on behalf of the Chinese People's Republic and M. Vyshinsky, Soviet Foreign Minister, on behalf of the USSR.

Giefang Rhbao Comments

IN an editorial on the new agreements on March 30, the *Giefang Rhbao* said that, with the technical assistance extended by the USSR, China could immediately proceed with the work of exploiting the metal and petroleum resources of Sinkiang and so help lay a foundation for the industrialization of all China.

Sinkiang is very rich in natural resorces, the *Giefang Rhbao* said. Apart from gold and silver, iron and coal, there are rich non-ferrous metal and petroleum resources. Metal deposits include copper, lead, zinc, aluminum, molybdenum and nickel. Copper is probably the most extensive and it is of high quality. Lead is the next most extensive non-ferrous metal in Sinkiang.

Alumium has come into widespread use since the end of World War Two, and deposits of this valuable metal are scattered throughout Sinkiang.

The oil from Sinkiang bores is reportedly of better quality than that found in other provinces in the Northwest.

The above data, the *Giefang Rhbao* says, is rather incomplete. With the assistance in the future of Soviet scientists, additional metal and petroleum resources are expected to be discovered. This will completely change the future development of China's industrial construction as a whole.

Communist Party Directive

A directive issued in Peking on March 25 by the Central Committee of the Communist Party of China, instructs all Communist Party members to extend and strengthen their links with the masses of the people and non-party democrats, the *New China News Agency* reports.

The directive states: "Our party has achieved great success in uniting with non-party people," but adds that a review and further study should be carried out among party members to overcome shortcomings and to strengthen unity and cooperation with non-party people.

Communist Party committees at all levels and Communist Party members are urged to study sections of two speeches, one by Generalissimo Stalin and the other by Chairman Mao Tse-tung.

The first is a section of a speech made by Stalin to the first All-Union Congress of Collective Farm Shock Workers, on February 19, 1933. It is reprinted in "Problems of Leninism."

The second is part of a speech made by Chairman Mao Tse-tung to the People's Political Council of the Yenan Border Region on November 21, 1941. He said, in part:

"The Communist Party is a political party working for the interests of the nation and people, and seeks absolutely no self-interest. It should be supervised by the people and not run counter to the will of the people. Its members should stand among the people and definitely not above the people. Our principle of implementing democratic cooperation with the non-party people is fixed and unalterable."

ECONOMIC

A New Tax Program

THE implementation of a new tax program designed to do away with the corrupt Kuomintang taxation system and to ensure equitable distribution of the burden has been announced in press dispatches from Peking.

The main points of the new program include: 1) Actual increase of total revenue; 2) A shift in the distribution of taxes so that city dwellers will for the first time pay their full share, thus lessening the burden upon the peasants; 3) Establishment of definite taxes and abolition of all former "special" or "extra" levies; 4) Elimination of inflation as a source of state revenue.

In the past, it was pointed out, the KMT was supposed to collect a total of some 800,000,000 silver dollars from its main state taxes. However, only about 30 percent of this sum actually reached the state coffers, with about 30 percent sticking to the fingers of collecting officials and the remaining 40 percent being lost through evasion of payment.

Today revenue from both national and local taxes is estimated at the equivalent of 1,000,000,000 silver dollars. With the elimination of corruption and the enforcement of payment, the state treasury expects to collect the full sum.

Formerly the major portion of the tax burden fell upon the peasants who were forced to pay in kind. Today, the tax has been distributed so that the major share of total government revenue will come from the cities which will supply 40.1 percent, while taxes on the countryside will account for 37.2 percent. Another 17.9 percent will be revenue from the state-owned enterprises.

Although the emphasis has been shifted to urban taxes, the elimination of corruption in the tax bureau and the enforcement of all levies will enable city residents to get off relatively lightly, it is predicted. The tax rate on business concerns, it is said, will not exceed three percent on gross business receipts.

Full collection of taxes, savings through austerity and elimination of waste, liquidation of over-heavy inventories by government concerns, disposal of remaining UNRRA and other relief goods hoarded by the Kuomintang and sale of victory bonds will give the government sufficient revenue without resorting to further currency inflation.

Solving the Food Problem

THE improvement of transportation and distribution of food throughout the country is reported to have partially solved the food problem. Intensive work to extend acreage, to prevent flood and drought tolls and in other ways to expand total food

production is expected to bring good results. Within three years, it is predicted, the nation will be self sufficient in rice and within five years self-sufficiency in cotton will be attained.

In Peking, it has been pointed out, improved distribution which eliminates middlemen and speculators who in the past used to control the food market, particularly in grain, has already resulted in an improved situation.

Formerly the city was never able to maintain more than a one month's supply and the bulk of this was in the hands of hoarders who rigged the market so that there was a continuous scarcity. Since the liberation of the capital, grain stocks have been built up to a six month's supply, about 90 percent of which is in government hands.

To ensure adequate distribution at reasonable prices and to prevent speculators from horning in, the government has established 400 state-owned retail stores which handle vital daily necessities such as food, cloth, coal and salt at prices running seven to eight percent below market quotations.

One result of the government's entry into the wholesale and retail business has been the transference of former middlemen into industry. The number of small privately owned factories has increased considerably in recent months, with the number of food processing plants nearly doubling since last December.

The Week's Business

Shanghai business found to be evading tax payments—honor system to be abandoned; prices continue stable; increase in number of Shanghai enterprises.

COMMODITY prices in Shanghai have been stable for the past several weeks, and the financial market steady.

While a number of local banks have closed down recently, other financial establishments are in good shape and netted profits in February, according to a recent survey undertaken by the labor union of the banking industry.

Among them are the Wei Chung Bank, which recorded a favorable balance of some JMP500,000,000; the Fu Yu Yuan, Chien Chang and Hung Hsiang banks, which had around JMP300,000,000 each; the Heng Chu bank, with more than JMP200,000,000; and the Fu Kong, Pao Feng Tung Chen, King Yuan, China Trust, Shanghai Trust, Chung Hsin, Tsung Yuan Yung, Yuan Cheng and Heng Feng banks, which showed profits of up to JMP100,000,000 each. The dead accounts of these banks were all around JMP100,000,000 each.

The current stabilization in commodity prices since the market reopened after the spring festival is attributed to a number of factors. In the first place, the state economy has been growing and developing, while communication facilities linking various districts have immensely improved, contributing to the interflow of supplies. The recent resolution by the Government Administration Council to centralize financial and economic work has also proved an important step in stabilizing the markets, and in the past month the price situation has vastly improved.

Meanwhile, in Shanghai, steps are being taken to combat widespread and serious tax evasion. Of some 200 trades investigated, only 11 were free from any tax evasion, while another 10 were held doubtful. During the recent week, the local Direct Tax Bureau inspected 30 metal dealers, among whom seven were discovered to have evaded tax payment to a serious extent. In the payment of the third period business tax for 1949, 4,434 out of 5,845 firms inspected, or 75 percent, were discovered to be tax evaders.

In view of the large number of business enterprises in Shanghai and the lack of trained auditors, the attempt of the Tax Bureau to prevent evasion by inspection of accounts cannot be effective. Vis-a-vis this situation, the Shanghai People's Government has, during the week, instructed the local Direct Tax Bureau to rectify the erroneous methods hitherto used in the collection of taxes.

It will be recalled that when the collection of business tax was resumed in this city after the liberation, the "honor system" was adopted and the taxpayers were left to compute the amount of tax they would pay into the Government Treasury without assessment by the Tax Bureau. The exemption limit for business tax was set at JMP750,000 per month. A considerable number of unscrupulous taxpayers took advantage of the "honor system" and the high exemption limit and, as a result, 52 percent of local taxpayers did not pay anything for the months of June, July and August of the past year, and 41 percent paid no tax in September and October. In the months of November and December, the percentage of exemption was lowered in consequence of the rise of prices and the inclusion of more trades on the taxpayers' list. Some of the merchants did not even bother to report or pay taxes.

According to statistics, the number of industrial and commercial enterprises in this city increased from about 70,000 in July and August to 80,000 in September and October. In November and December, the number was further increased to more than 90,000.

Quotations

Following is a listing of representative commodity prices for the past week:

	Mar. 22 JMP	Mar. 29 JMP
Parity Unit	6,066	6,057
US dollar (note)	38,000	39,900
20's yarn	5,900,000	4,630,000
12-lb. cloth	273,000	273,000
Rice, 1st grade	282,000	280,000
Peanut oil	570,000	545,000
Coal briquette	28,600	28,600

EAST CHINA

North Anhwei Floods

FAMINE and floods in northern Anhwei now affect 5,256,700 people, of which number 4,500,000 are entirely without means of subsistence, the Shanghai Relief Association for northern Anhwei announced on March 25.

More than 4,700 have perished from sickness resulting from hunger. Peasants in many of the distressed areas had their crops totally destroyed and found their food reserves insufficient to tide them over.

Soh Hsien, in northern Anhwei, is the most badly hit area. Floods there began to subside at the end of January, but further heavy rainfall in February caused increased devastation.

Unusually heavy rainfall during the winter months, coupled with blinding snowstorms, sleet and blizzards, laid waste vast sections of the countryside. Floods lingered on the fields ruining crops. Meat and plough animals perished in the storms, and many people died of hunger after having used up all their reserves of grain.

Latest reports from northern Anhwei state that survivors are making desperate efforts to begin spring sowing. They are also seeking help from other districts.

Shanghai's Power Supply

INDICATIVE of the eased power supply situation in Shanghai were reports that more than 90 percent of the city's cotton spindles were back in operation. Immediately following the bombing of the Shanghai Power Company on February 6 textile production dropped to about 10 percent of normal.

Latest reports state that in some lines production has exceeded the pre-February 6 level. Meanwhile, it has been officially announced that power restriction will be eased beginning April 1 (today). For residences, which have been restricted to 20 percent of normal usage since February 6, the limit has now been raised to 40 percent of normal. For shops and ordinary business establishments, the new quota is 50 percent of normal.

THE NORTHEAST

Big Agricultural Loans

LOANS for agricultural production totalling 1,200 billion Northeast People's Dollars are being extended to Manchurian farmers by the Northeast People's Government, the *NCNA* reported on March 26.

These loans will be available mainly to organized peasants and also to individual poor peasants who are in difficulties.

The loans will reach the peasants in the form of new-type farm tools, draught animals, seeds, fertilizer.

About one-third of the total loans will help to develop cotton, hemp, silkworm and fruit production, and fishing and irrigation.

Committees have been set up in many counties, districts and villages to plan the handling of loans.

Tax Collection Success

CITY after city in the Northeast has sent in reports of overfulfillment of their taxation targets during recent months, the *NCNA* reports.

Overall figures show a margin of 61 percent over the January target, and of 32 percent over the February target. Leading cities such as Mukden, Penki, Fushun, Harbin and Antung overfulfilled their targets by at least 39 percent.

Harbin led with a collection 105 percent better than its target.

Efficient tax collection, as well as a general rise in production, is counted responsible for these high figures. Leading personnel of the Northeast Taxation Bureau took part in field work in provinces and cities, helping other organizations to work out practical plans.

There was also strong public support in favor of fair and complete tax collections.

"Iron Bull" Movement

THE *NCNA* reports that new methods of work on China's railways have already cut accidents and raised efficiency 100 percent in some areas. The methods have been developed under what is now called the "Iron Bull" movement.

This movement began with the adoption of a "traffic responsibility system" on the suggestion of experts from the Soviet Union, where the system has long been succesful.

Under this new method of work, full responsibility for locomotive running and maintenance is assigned to a group of nine workers, divided into three teams. Reports say that it has immediately proved superior to the old shift system.

Accident rates fell sharply in the Northeast, where it was first applied. On the Linkow section, where there had been an average of 20 accidents a month, there were no accidents during the first 60 days of the operation of the new system.

In the Northeast model locomotive teams soon emerged. Most famous was that of the "Iron Bull" locomotive from Harbin. It set a safety record, running 106,000 kms without overhaul—doubling the normal mileage.

Soon after, two other locomotive teams challenged the "Iron Bull" and beat it. In January, yet another team chalked up the highest figure yet—180,000 safe kilometers. Since September last, 126 locomotives have been awarded the title of "Iron Bull."

The result of the new work methods and of emulation developed by the "Iron Bull" movement, is that the average mileage between overhauls in both north and south China has risen 100 percent since the system was introduced last June.

Industrial Reconstruction

THE 1950 budget of the Northeast People's Government allocates 42 percent of total expenditure to industrial reconstruction, the *NCNA* reported on March 28. A stable economy in the Northeast has made this expenditure possible at the same time as the Northeast is sending huge grain surpluses south of the Great Wall.

The new budget has been approved by the Committee of Financial and Economic Affairs of the Central People's Government.

In 1948, the Northeast drew wartime revenue mainly from agricultural taxes. Urban taxation made up only 4 percent of the total. The industries taken over from the Kuomintang were in such poor shape that there were no profits to tax.

In 1949, great efforts were made to balance the budget and bring about necessary adjustments in the economy. Of total government expenditure, 30 percent was spent on industrial reconstruction.

Expansion of publicly-run enterprises has meant that the largest item in government revenue this year will be profit from investments in these enterprises.

Moreover, reports say, there has been an adjustment in relative tax collection from urban and rural areas. For the first time, revenue from rural taxation will be 25 percent lower than that from urban taxation.

The process of industrialization is being considerably advanced this year, for the recovery of the Northeast is regarded as of the utmost importance to the economic reconstruction of all China.

PLA in the Northeast

EVERY unit of the People's Liberation Army in the Northeast (Manchuria) is discussing how it will combine intensive military training with productive activity in the cities and on the land, according to a *NCNA* dispatch dated March 21.

Committees have been formed at the divisional and regimental level to plan the work, and there are active preparations throughout the whole army to join in the spring sowing.

Each PLA soldier is required to produce one quarter of his food, or its equivalent, this year. Some units have rejected this three months' food target and have decided to produce three and one half months' food.

Units in industrial areas will engage in construction work in the main. Troops quartered in Mukden, for example, have formed a repair and building battalion. Others will take part in road-building, irrigation, transport and other work needed in the locality in which they are stationed.

At the same time, intensive training schemes, involving military, political and cultural study, are going ahead.

In order to avoid interference with training, units will do their productive work in rotation.

TIENTSIN

Private Industry Booms

DURING the last few months, privately-owned industry and commerce in Tientsin have been expanding steadily, both in capital and production, a *NCNA* report said on March 26.

The number of private plants and shops has risen by 46 percent in the four months prior to February, and the capital of private commercial firms has risen by some 18 percent.

Among the most flourishing industries are machine making, metal, oil refining, electrical equipment, rubber goods and tanning.

The industrial exhibition held in Tientsin last November stimulated the exchange of the port's industrial products with goods from other cities and the countryside.

A large number of factories and commercial concerns handling non-essential articles are reported to have converted to essential trades.

Increased Power Supply

DUE to the direction of Soviet engineers and the efforts of employees, Tientsin's power supply problem has been solved, the *Sin Wan Jih Pao* said on March 24.

Commencing from March 27, the Tientsin Electrical Industry Bureau has decided to supply 22,500 kilowatts for industrial consumption and city lighting.

It is estimated that, with this power supply, industrial and lighting demands can be adequately met, for the first time in ten years.

OUTPORTS

Trade with Hongkong

REPORTS from Hongkong state that trade with liberated China has been picking up lately, with large orders being received in the colony from such newly-liberated cities as Kunming, Hankow and Chungking.

Three thousand tons of spinning and weaving machinery have been ordered by Kunming and Hankow businessmen and 1,000 tons of machinery orders have been placed by Chungking manufacturers.

Exports of bristles, tung oil, ramie, tobacco and tin from China cities to Hongkong are also reported to have increased lately.

Meanwhile, in Shanghai it was reported that shipment of commodities long stockpiled in the Colony for this city have begun via the Shanghai-Canton Railway. The first shipment, according to local press reports, consisted of 250 tons of cotton and 50 tons of machine oil.

INTERNATIONAL AFFAIRS

INDO-CHINA

US Weapons and Specialists

MODERN weapons for jungle warfare and American specialists, who acted as advisers in Greece, are expected to be sent to Indo-China as part of American aid to the French forces fighting against the Democratic Republic of Vietnam, a diplomatic source disclosed in Saigon on March 24.

The French forces under General Marcel Allessandri, commanding the theater of operations in northern Indo-China, were said to be preparing an offensive against Vietminh (Democratic) forces in Tonking.

No Compromise Peace

SOME observers in Saigon consider that there is now little chance of success for the latest attempts by various Vietnamese intellectuals and political leaders to restore peace in Indo-China by a compromise settlement.

The latest proposals were contained in a "manifesto of moderate intellectuals," signed by 31 Vietnamese engineers, doctors, lawyers, merchants and others.

This called for United Nations intervention to secure Vietnam independence "at least equal to that of India and Pakistan," with withdrawal of French troops, reconciliation of Dr. Ho Chi Minh and Bao Dai, and formation of a new national coalition government.

A counter-manifesto by a pro-Vietminh group of Saigon intellectuals, including a number of Catholics, described the first manifesto as "reactionary," according to Saigon reports on March 24.

It said no understanding with Bao Dai was possible and that he should be tried by court-martial for high treason. But it added that a reconciliation between him and Dr. Ho Chi Minh would be possible if Bao Dai joined the Vietminh leaders in the struggle for total independence and "accepted the judgment of the people."

Bao Dai Ministers Resign

THREE members of the Bao Dai government — the Minister of National Defense and the Secretaries of State for Foreign Affairs and for Sport and Youth—resigned on March 25, Saigon reports say.

Reports in usually well-informed Bao Dai circles said further resignations would soon follow and the formation of a new government was to be expected.

In a letter to Bao Dai and his Prime Minister Nguyen Phan Long, the three ministers who resigned said:

1) The Bao Dai government had not drawn up any political program.

2) It had no effective authority over the Vietnamese people. This, they said, was proved by the demonstrations in Saigon on March 19.

According to *AFP*, several north Vietnamese newspapers have begun a campaign against the Bao Dai government and, in Saigon, 35 Vietnamese journalists have published a protest against the censorship methods of the Bao Dai government.

In southern Vietnam, the Caodai religious sect proclaimed its opposition to the policies of Nguyen Phan Long, the agency said.

Central Sector Report

THE Vietnam information service has reported that, according to a communique issued on March 17 by the Vietminh (Democratic) forces in the central sector, 7,000 officers and soldiers of the French colonial forces were put out of commission, and 16 French outposts destroyed as a result of battles fought in the central sector of north Vietnam between July 1949 and February 1950.

Vietminh troops destroyed five French aircraft, 22 trucks, two tanks, a train, 16 speedboats and a large quantity of munitions and armaments.

Booty captured by the Vietnamese army included 200 machineguns, six mortars, 300 rifles and 350,000 rounds of ammunition.

It was also reported that troops of the central sector helped the local population to bring in the rice harvest over an area of 3,000,000 acres.

War of Movement

VIETMINH leader Ho Chi Minh has announced that the Vietminh forces are preparing a general offensive which, according to the Vietnam radio, will "sweep away the French imperialists and their lackeys."

On March 25, the Vietnam radio announced that the guerilla war in Indo-China will soon become a "war of movement."

The Vietminh, the broadcast said, were repairing roads and canals in their zone of occupation.

UNITED NATIONS

Chinese Representation

CUBA, Ecuador and Egypt have not yet replied to British attempts to end the deadlock in the United Nations Security Council over the admission of the Chinese People's Government, a British Foreign Office spokesman said on March 21.

Press reports that the approaches had failed were untrue, he added.

The British delegate circulated a note from the British Foreign Secretary, Mr. Ernest Bevin, earlier urging a renewed attempt to solve the Chinese representation issue.

* * *

ON March 27, the Soviet Union walked out of two more United Nations bodies—the Human Rights Commission and the Transport and Communications Commission — in protest against the attendance of Kuomintang delegates.

AUSTRALIA

Crimes Act Invoked

THE Australian Council of Trade Unions will hold an emergency meeting in Melbourne on March 27 to discuss a government action invoking the Crimes Act against strikes on the Brisbane waterfront, reports from Melbourne say.

The meeting was summoned by Mr. A. E. Moub, the Council's President.

* * *

AUSTRALIA'S Tory government, on March 23, invoked the Crimes Act to fight labor unrest, Canberra reports say.

The proclamation, issued by the Governor-General, said the situation was "prejudicing or threatening trade and commerce with other countries and among the states of Australia."

The Crimes Act, which Prime Minister Robert Menzies invoked in the House of Representatives, gives the government far-reaching emergency powers, including immediate arrests and the banning of meetings.

Mr. Menzies said legislation would soon be introduced to "deal with" the Communist Party, but in the meantime the government did not intend to let matters drift.

Mr. Menzies told the House: "We will deal with communists here once and for all. We will carry the fight to the communists."

Australia's Crimes Act gives the federal government wide powers to meet almost everything from treason, sabotage, attempted revolutions and offenses against the Commonwealth government down to forgery and offenses against public officers or the administration of justice.

Penalties, according to different sections of the Act, range from death for treason to various terms of imprisonment.

The Federal Secretary of the Waterside Workers' Federation, Mr. James Healy, on March 23 defied the emergency powers, saying the threat of jail and deportation would not stop the union from resisting "this fascist-like" attack.

"The real fact is that the Menzies government has seized this opportunity to abolish the right to strike," he said.

The Zaibatsu Question

THE Australian government is not satisfied with the extent to which the "Zaibatsu" (monopolies) in Japan have been dealt with, the External Affairs Minister told the House of Representatives in Canberra on March 23.

He said that, except through the Far Eastern Commission, Australia had no direct control over the manner in which Japan was permitted to trade.

He was answering questions on competition by Japan for world markets, the dumping of textiles, and

the part of the "Zaibatsu" in this trading.

He said that arranging the peace treaty was beset with difficulties, but Australia would have the opportunity to advance its views at a working committee in London.

Anti-Japanese Feeling

THOUGH Australian sentiment is still "strongly anti-Japanese," the country cannot forever "hold Japan at arms length," the Conservative *Sydney Morning Herald* said, in a leading article on March 26.

"Whether we like it or not, the Japanese are our neighbors in the Pacific and by degrees we have to learn to treat them as such again," the newspaper stated.

"Trade is being resumed and its development will eventually necessitate the exchange of representatives."

The paper was commenting on Immigration Minister Harold Holt's announcement on March 24 that Japanese Bishop Michael Yashiro would be given an entry visa to Australia for two months.

ITALY

Police Violence

ROME reports, on March 24, said that a delegation of opposition members of parliament arrived in Lentella hamlet, Abruzzi region, to study the circumstances of an incident in which police fired on a group of agricultural laborers, killing Nicola Mattia, aged 40 and father of three small children, and Cosimo Mandioco, aged 26.

The reports said that about 300 agricultural laborers, reduced to starvation by many months of unemployment, were returning on the evening of March 21 from construction work on a mountain road undertaken on their own initiative but with knowledge of the local authorities.

At the central square near the municipal council they came abreast of a group of carabineers summoned from a neighboring town. A police non-commissioned officer ordered the agricultural laborers to disperse and, in reply to verbal objections, immediately ordered his men to open fire. The two men, Nicola Mattia and Cosimo Mandioco, were killed on the spot.

The local authorities declared a state of siege, forbidding the inhabitants of the town to leave their homes. The police smashed up the chamber of labor, destroyed its archives and made many arrests.

The Parma Shooting

GENERAL Secretary of the Italian Confederation of Labor Giuseppe di Vittorio told press representatives in Rome on March 24 that a demonstrator was killed by police in Parma on March 22 during a meeting of participants in the general strike in that city.

Di Vittorio stated that the Parma chamber of labor received police permission to hold a meeting in the central square. The meeting was held and 30,000 people participated. But after the meeting the police suddenly attacked the crowd and ordered it to disperse. Resistance was offered, incidents arose and the police opened fire. Unemployed worker Attillio Alberti was killed.

"The cause of this incident cannot be explained otherwise than by an order from Rome," di Vittorio added. "Evidently the Minister of the Interior, dissatisfied by the fact that the Parma police issued a permit for the meeting, ordered them to revoke this permit at once and disperse the demonstrators."

Reports say that, besides one killed in Parma, four were wounded, including the secretary of the local federation of the Communist Party, Magnini.

In protest, the general strike has been prolonged.

Progressive Parties Meet

A CONFERENCE of representatives of the Italian Socialist Party, Communist Party and Unitarian Socialist Party has been called on the initiative of the General Italian Confederation of Labor, Rome reports said on March 26.

The subject of discussion was joint action to combat repressive government policy directed against the rights and freedom of Italian workers.

The conference agreed that the three parties, acting independently, will strive to implement common aims. These are: handing over unused land to the peasants, resistance to government's policy of curtailing production and withholding workers' wages, and opposition to recent government measures which annul civil liberties.

FRANCE

French Port Strikes

LIGHTNING strike action by seamen in Marseilles, biggest French port, on March 25 halted eight ships bound for North Africa and Corsica.

The men joined a "warning strike" for 24 hours against the arrival of American arms in France.

The General Confederation of Labor hailed a 24-hour dock strike for March 27 as part of the "no American arms" campaign.

Strikes in French ports spread on March 25 to Dunkirk, where merchant seamen came out for 24 hours, leaving ships without steam or manpower.

In Cherbourg, main Atlantic port, dockers have voted to "load or unload anything," reports said.

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ON March 27, 35,000 dockers responded to the 24-hour strike order given by the General Confederation of Labor, paralyzing shipping in all main ports, the latest reports from Paris say.

The strike was called as a protest against the arrest of three union leaders in Marseilles last week.

Algerian dockers have joined the strike in sympathy with the Marseilles dockers.

The government has ordered large police forces to stand by in all the dock areas.

CZECHOSLOVAKIA

Catholic Congress

A CONGRESS of 1,000 Catholic priests, on March 20, accused the Vatican of "persecuting" Father Jan Dechet, ex-communicated by the Vatican for accepting a state appointment.

Father Dechet, 42-year-old son of a farm laborer, was appointed managing administrator of the vacant bishopric of Banska Bystrica earlier this year.

A proclamation of the congress declared that the Catholic priests would "remain faithful to our homeland, President Gottwald and the people."

An Oath of Allegiance

IN Prague, all Czech non-Roman Catholic leaders, on March 20, took an oath of allegiance to the government before Prime Minister Antonin Zapotocky, it was officially announced.

Ceteka the official news agency, said that among those taking the oath were Dr. Frantisek Kovar, Patriarch of the Czechoslovak Church, a reformed Catholic church with a membership of about 1,000,000 and four bishops of that church.

According to *Ceteka*, Dr. Kovar, speaking on behalf of all church dignitaries who took the oath, assured the premier that they had taken it entirely of their own free will and served no foreign political or other interest.

Foreign Policy Defined

VICE-Premier Viliam Siroky, in his first statement as Foreign Minister, said in Prague on March 21 that Czechoslovakia's foreign policy was based on intensifying and strengthening Czechoslovakia's alliance and friendship with the Soviet Union and all the people's democracies, according to reports from Prague.

M. Siroky, appointed Foreign Minister to succeed M. Vladimir Clementis, was addressing the parliamentary committee debating the Foreign Minister's budget estimates for 1950.

M. Siroky said that the present international situation was characterized by the intensification of the struggle between the "camp of capitalist reaction and war" and the "camp of peace and progress."

M. Siroky said within Czechoslovakia a struggle was going on between the new socialist world and the dying remnants of capitalism.

Attempts were being made from abroad to give systematic assistance to members of Czechoslovakia's former bourgeois class and to organize espionage and sabotage.

He said the Vatican and the high church hierarchy in Czechoslovakia were attempting to abuse the religious feelings of the people for the aims of capitalist reaction.

"We are firmly determined to render impossible such interference with our internal affairs," M. Siroky declared.

UNITED STATES

Attacks on Acheson

THE "Acheson must go" drive is causing concern in diplomatic Washington. Republican efforts to force the resignation as Secretary of State of Mr. Dean Acheson have come into the open in the past few days, Washington reports said on March 25.

The chances of his being ousted are said to be remote. But concern arises from the realization that the political weakness of Mr. Acheson's position hampers the conduct of United States foreign policy, may weaken Mr. Acheson's influence at the Big-Three conferences in Europe this spring, and will make more difficult the piloting through Congress of military and ECA aid to Europe and Asian countries.

The "Acheson must go" campaign has been the spearhead of the increasingly bitter Republican attack on the Truman government in the current political campaign for the Congressional elections next November.

The extremely powerful conservative, middle-western Republicans now officially in charge of Republican Party campaign strategy, last week openly blamed Mr. Acheson's Far Eastern policy for the loss of China "to the Communists."

ECA Finances Approved

THE Senate Foreign Relations Committee, on March 21, unanimously approved the Administration's full $3,100,000,000 European Recovery Program.

The House of Representatives had voted to cut $1,000,000,000 of cash from the fund and substitute an equivalent value of American farm surpluses.

There will presumably be a Senate-House dispute before the figures are finally reconciled.

But the chairman of the Senate committee said he thought Congress would eventually reject the House Committee's proposal.

* * *

THE House Foreign Affairs Committee, on March 21, approved a statement favoring "collaboration by the free peoples of Asia for self-help to protect their independence."

The policy statement was approved as part of the foreign aid bill for the 12 months ending July 1, Washington reports said.

The committee is near the end of work on the measure.

Chairman John Kee said the committee contemplated only economic cooperation, not military with nations of Asia.

On the same day, the Senate Committee also approved $100,000,000 in economic aid for South Korea and suggested a possible $50,000,000 in aid for Chiang Kai-shek.

The Committee's decision was announced by Chairman Tom Connally.

The House Committee authorized another year's extension of authority to use about $104,000,000 of China aid funds previously earmarked, but so far unspent.

The report said that, "With the Chinese Liberationists controlling almost all of China, it was thought here that these funds would be available in other areas of southeast Asia, such as Indo-China."

The committee also increased from $150,000,000 to $300,000,000 the amount of ECA guarantees provided for the private investment of United States capital abroad.

* * *

Military Appropriations

THE House of Representatives Appropriations Committee approved a $19,800,000,000 government request for defense projects, including atom research, said Washington reports on March 21.

It will be debated in the House this week.

Unemployment Up—Exports Down in the USA

Throughout the past year unemployment in America has been increasing almost each month, while US exports to the rest of the world have declined month by month. The connection between the worsening economic situation and Washington's foreign policy, which has resulted in reducing the area of the world with which American businessmen can trade, is gradually becoming more apparent.

* * *

THE American Federation of Labor last week issued an "imperative" call for action to stem the rising tide of unemployment in the United States. The AFL said that 2,000,000 more workers were jobless than at this time last year.

In Washington, the United States Census Bureau in its latest report put unemployment at nearly 5,000,000. Labor union statistics claim, however, that the government figures are far from complete and do not allow for partially employed. Including the latter category, union officials say, at least 15,000,000 are unemployed. The total working force of the nation, according to the Census Bureau, is approximately 59,000,000.

Unemployment on the San Francisco waterfront, according to the *Associated Press*, has been mounting rapidly until conditions now are about as bad as in 1910—a depression year in shipping. The California State Department of Employment reported the number of unemployed seamen during the first two weeks of January was higher than in any similar period in recent years. In the first week of this year, the department reported, 3,718 unemployment-insurance claims were paid, compared with 2,868 in 1949 and 1,213 in 1948.

Vincent Malone, president of the Marine Firemen's Union, said more than 900 members of his union alone were waiting for work in San Francisco, while another 500 were jobless in San Pedro, Portland and Seattle.

* * *

THE Washington bureau of the *Chicago Daily News*, in a dispatch analyzing trade between the United States and China since the liberation of this country, reported: "Of course, the volume of trade has dwindled. Between January and October of 1949, American exports (to China) were US$78,500,000 as compared with US$216,000,000 in the same period of 1948."

Complaining over the American businessman's disadvantageous position following British recognition of the new People's government, the writer stated: "Where Great Britain will get a big edge on American competitors by recognizing the Red government in Peking is through government orders. (China needs) just about everything produced in the Western democracies. Following recognition Mao Tse-tung will be able to buy in huge quantities from the British.

". . . American traders also are limited by our restrictions. They will have to get export licenses . . . What will happen and what already is happening is that the British buy from us and have American goods delivered to Hongkong. There they are resold to the Chinese at a handsome profit and delivered by British ships."

From New York it is reported that United States exports this year are likely to approximate US$11,000,000,000, a decrease of about US$1,000,000,000 from the 1949 total. This estimate, according to the *New York Times*, was made at a round-table conference of American businessmen by an official of the US Department of Commerce.

* * *

INDICATIONS that certain sections of the American population were beginning to feel the pinch resulting from restricted world trade were evident as long ago as last spring when a number of West Coast labor groups began petitioning Washington for a change in foreign trade policy.

The annual convention of the Northern Washington District Council of the International Woodworkers, meeting late last April, issued a report calling attention to the growing unemployment in the lumber industry, and stated that "a practically unlimited foreign market could be established if our government would immediately negotiate for trade agreements with the people of the European countries and China."

In San Francisco a "stop work" meeting was held the same month by members of the International Longshoremen's and Warehousemen's Union to discuss growing unemployment. One solution to the problem, it was said, was "doing business with New China."

Articles of Interest:

The Theater and Films

Since liberation a new type of drama has appeared which portrays the lives of workers, farmers and soldiers, and serves to educate the public about the common tasks of reconstruction and production facing the country. The Shanghai Film Corporation will produce eight feature films in 1950 as well as one documentary film and one newsreel each month.

* * *

"THREE months before the liberation of Shanghai progressive elements in the dramatic and cinema world in this city organized a Dramatic and Cinema Workers Union with the object of uniting all such workers in preparation for Shanghai's liberation," stated an article in the March 1, 1950 *Kwan Cha* (Observer). One of the jobs of this Union, the writer explained, was to assist in the take-over work by checking up on the assets of all KMT-controlled motion picture companies. Another was to prevent panic and disorder, and enlist the cooperation of the public by explaining, over the radio, the meaning of the changes that were taking place, and by the carrying on of uninterrupted news and entertainment services. "Within fifteen days after the liberation," says the writer, "local dramatic and cinema workers mobilized more than 1,200 persons and organized them into 42 squads to work at broadcasting stations, in factories and amusement resorts." These teams visited a total of 41 factories and supplied more than 50 scenarios," pointed out the article.

"Film directors and workers were very sensitive to all the radical changes arising from the sharp development in the revolutionary situation. They knew very well that the new path for them to take was to link dramatic work fundamentally with the workers, farmers and soldiers. In other words, they must henceforth serve the interests of the people."

A new beginning must be made, they concluded. Artistic aloofness would never enable them to reach the people whose lives they wished to portray on the stage of new China.

Discussion forums were held, to discuss the experience of dramatic workers in the older liberated areas. The old feudalistic themes, repeated endlessly in the conventional Peking opera, Chekiang drama, Yangchow drama, Changchow and Wusih drama, had been replaced by stories which had meaning in the life of the village and factory, and crowds of workers and farmers had thronged to see, for the first time, the realities of their own experience depicted on the stage.

A brief report is given of the activities of the Union in Shanghai, following the liberation. Amongst these was the production on an open-air stage, with more than a hundred actors participating, of "Roar China". The object of the production, said the writer, was "to expose the century-old atrocities perpetrated by the British imperialists in China." Another landmark in New China's drama history was "Song of the Red Flag," produced by all the women members of the Dramatic and Cinema Workers' Union. "The central theme is a production contest among women workers of a cotton mill. It was designed to unite and rally workers to the cause of production and to raise their political consciousness."

The duties of censorship also devolved upon the Union, stated the article. Both American and Chinese "yellow" films came in for bitter criticism. "It was decided that all Anglo-American pictures emphasizing war preparations of the imperialists" should be banned. Those depending for popularity upon exaggerated "sex appeal" were also frowned upon.

The writer referred to valuable advice given to Chinese movie producers by the Soviet film experts who visited Shanghai last year with a delegation of cultural, art and scientific workers. At a Soviet-Chinese film conference, many questions were asked and answered, and experiences shared, and it was felt, the writer said, that "the Chinese movie industry, which is still in its infancy, can learn a great deal from the experiences of Soviet film producers." "'China's screen world', said one of the visiting experts, 'abounds in talent, while her technique in sound, music and setting has reached world levels. A great number of talented producers, actors, cameramen and artists were available, and he considered the future of Chinese films extremely hopeful.'"

"Private film companies in Shanghai", continued the article, "which lay prostrate under the menace of bureaucratic capitalism, have taken on a new lease of life since the liberation, with the support of the People's Government." Their workers are taking a deep interest in study, and research, the writer reported, "in contrast to their hitherto disorganized and decadent way of life."

Included in the 1950 program, the article concluded, the Shanghai Film Corporation (a merger of five former KMT-controlled film studios) plans to produce eight feature films, with the addition of one documentary film and one newsreel a month. It is also proposed to synchronize 10 Soviet feature films with Chinese dialogues. Three directors have been sent to the Northeast to study the art of synchronization.

LETTERS

(Continued from Page 69)

of the workers, the articles in the wall newspapers should be short, vivid, easy to understand and full of political meaning for most of the readers are not well-educated.

In the countryside the newspapers should be aimed at encouraging the peasants to increase agricultural production and cancel their needless suspicions and superstitions.

In the factories, the contents should be popular and familiar to the workers. The news about production work and unions should be described in a simple and fresh style. The paper should also contain praises for those who have increased production and self-criticism of others.

In the schools, the papers serve principally as a report of the conditions of the students, their thoughts and activities. Here it serves as a means of educating them and increasing their political consciousness.

Some attention in all wall newspapers should also be paid to the style and type of characters to make them most attractive; the papers should be posted in the most convenient places and at times when the greatest number of people can read them; the language should always be simple and colloquial; all criticisms and suggestions for improving the paper should be welcome so it will truly become a people's media.

CHANG SHU-CHI

Changsha, Hunan
March 19, 1950

FUTURE ATTACKS

To the Editor:

I read with great interest your reply to an attack upon the China Weekly Review, as well as the original attack, published in the latest issue.

It seemed to me that while your reply was indeed a thoughtful answer to a ridiculous and unfair slander, you perhaps were a little naive in saying, "we can only speculate as to the reason or reasons which called forth such a vicious attempt to smear the Review and all connected with it."

You should know by now that you have become a first-class target for "red-baiting" simply because you have stayed on in China and tried to continue the job which the Review has done more than a quarter of a century—presenting an informed and objective picture of conditions in this country. While you are a particularly "good" subject for attack since your magazine is a media of public information, many other foreigners staying on in China are experiencing the same thing, although usually in lesser degree.

Even foreign businessmen are frequently suspected of having some connection with "international communism" because they stay in China. Of course, those making such charges probably do not believe them themselves, but they pretend that they do since such attacks are "good politics" in America today. Unfortunately, a large number of Americans have become conditioned by their press and radio to such an extent that they, too, are all too ready to yell "red" at the drop of a hat and to accept as "satisfactory" the explanation that all the difficulties in the world today are the result of plots hatched in Moscow.

As you pointed out in your original article which so irritated Mr. Simmons, the "reds" have become the popular American scapegoat. Therefore, anyone who tries to tell the public anything else is immediately denounced as a "red." Simmons' article, I may venture, is only the beginning.

P. A. T.

Shanghai
March 29, 1950

The Review's English Lesson CXXIV

Modern Terms

THIS week's text is from an article in the October 13, 1947, issue of the **New Republic,** entitled "Selling Dreams in Marble Halls." It is an analysis of the Curtis Publishing Company and its publications, which have a combined circulation of 300,000,000 copies a year. The best known of these is **The Saturday Evening Post.** The author concludes his article:

> ". . .it will not be stop-press news to point out that American mass-circulation magazines (i.e., those selling more than a million copies per issue) are operated by a dozen companies, all dependent for existence on about 200 advertisers. . . From the very start, Cyrus Curtis wanted to build magazines that would please advertisers, and thus presumably would fit in with their views. . . Whether you like it or not, Americans in the mass buy magazines primarily to dream, not primarily to be informed. Pa may be a thoughtful union man in the shop, but when he picks up a magazine he likes to study the ads for new cars. Ma may be solid for price controls, but she loves the pictures of the new kitchens and is delighted when the shy girl makes good . . .In the magazine one can dream—dream of Success. Mass publishers know that this taste is the foundation of their industry, and they cultivate it with care. So great is their care that little or nothing which disturbs this dream is allowed to appear in their pages. The high journalistic urge to search, inquire and report the world as it exists must be curbed in the interest of describing a world of illusion. . ."

Stop-press news: news that is so important that the presses are stopped to allow it to be inserted in the edition of a newspaper being printed at the time. The author of the present article suggests that his readers are already aware that "national advertisers" (huge industrial and commercial corporations that spend millions yearly on advertising) have great influence over the newspapers and magazines in which they advertise.

Magazine: a periodical journal which appears at intervals of a week or more. **The Saturday Evening Post** is a weekly magazine (週刊). Others appear at two-week intervals, monthly, or quarterly.

i. e.: from the latin *id est:* that is.

Per: here, each. Thus, in quoting prices, we say, eggs cost so much per dozen. It is from Latin, and as a preposition also means through, or by means of; or with equality, uniformity, or regularity on a basis of (a unit), as per annum, yearly; per capita, by heads (individuals).

Wanted to build magazines: "to build" is generally used in connection with some concrete structure, such as a bridge or a building, but it is also often used as here, to organize and run some enterprise successfully.

And thus presumably would fit in with their views: that is, in order to please the corporations buying advertising space in the magazine, the magazine's editorials, articles and stories would have to be in accordance with the outlook and policies of finance capital.

Whether you like it or not: this introductory phrase indicates that the statement which follows is a fact that must be accepted, even if it is an unpleasant or seemingly unbelievable one.

Primarily to dream: "primarily" means in the first place, originally, fundamentally, basically. The author is saying that magazines such as **The Saturday Evening Post,** as with the bulk of Hollywood movies, offer the public material for wish-fulfillment, pleasant dreams rather than unpleasant facts about the real world.

Pa: the familiar American term for "father." Both this and the following sentence portray the average American as short-sighted politically. The wage-earner, the author suggests, engages in union activity basically to raise his wages, and sees no connection between himself as a wage-earner and the political questions of the day. He does not want to be informed, he wants merely to escape into a dream world in his leisure hours.

Ma: familiar Americanism for "mother."

Be solid for: to approve wholeheartedly.

The new kitchens: many advertisements, some in full color, present dazzling visions of kitchens with all the latest gadgets—the newest refrigerators, stoves, automatic dishwashers, garbage grinders, etc. Ma gazes at these alluring ads and wishes she could have such a kitchen, but she probably can't afford it.

When the shy girl makes good: American magazine fiction is full of stories that point out the virtues of Success in all its aspects. The energetic young businessman struggles—and usually succeeds—in becoming an executive; the shy young girl has difficulty in making herself attractive to boys—but the story ends with her happily on the way to getting married.

High journalistic urge: the word "high" here means worthy; estimable; elevated or exalted in character or quality; that is, the journalist desires to inquire into and report on the real world, and the author says that this desire is of an exalted character.

Curbed: restrained, controlled, thwarted.

In the interest of: for the purpose of. This sentence means that the journalist cannot obey his desire to report truthfully; he must create illusion instead. He must picture the American scene in rosy colors and must omit or minimize any treatment of unpleasant aspects of life in America, such as racial discrimination or other injustices.

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